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NEWS SUMMARY

GENERAL

Smith talks 'in two weeks'

There appears to be growing optimism in southern Africa that the Rhodesian constitutional conference, at which Britain will take the chair, can be held within the next two weeks, reports Bridget Bloom from Johannesburg.

In London, the Foreign Office indicated that there was a likelihood that Mr. Ted Rowlands, Foreign Office Minister of State, would meet Mr. Ian Smith, the Rhodesian Premier, in Salisbury, perhaps on Monday.

In Salisbury, the 65-year-old Roman Catholic Bishop of Umtali was jailed for ten years with labour for failing to report the presence of guerillas and counselling others to commit the same offence. Cardinal Hume, Archbishop of Westminster, said he was amazed and distressed at the sentence. Back and Page 11

Lebanon move by Russia

Lebanese Left-wing forces were struggling desperately to hold Aley, a town on the main Beirut-Damascus road, but seemed certain to lose it to the Right-wing Christian Alliance and the Syrians. In Beirut, the Soviet Charge d'Affaires met Mr. Elias Sarkis, the new Lebanese President, in what was said to be a new Soviet initiative in the crisis. Back Page

Tartan verdict

Four of the accused in the "Tartan Army" trial at the High Court in Edinburgh were cleared of plotting to further the ends of a terrorist organisation. But Donald Currie was jailed for five years for blowing up two oil pipelines. Another man was jailed for a year and a 20-year-old man was put on probation. Page 10

Ali quits ring

Muhammad Ali, the 34-year-old world heavyweight boxing champion, announced in Istanbul that "I retire from boxing as of to-day." He said he would use "the fist of his tongue" in the cause of Islam. In New York, the World Boxing Association said Ali's boxing title was now vacant.

400 killed

More than 400 people were killed and at least 20,000 left homeless when a hurricane devastated La Paz in North-West Mexico. The city has been left without fresh water or electricity supplies, while the airport, road and telephone links are out of action.

Skipper bailed

A Russian trawler skipper who defied the Irish navy and armed troops for 24 hours was ordered to reappear in court at Cork on Monday on six charges of illegal fishing and obstructing the navy. The skipper was released on nominal bail

Faulty bulbs

The Department of Prices and Consumer Protection warned that some electric light bulbs imported from Hungary and Poland are potentially lethal because of faulty wiring. Most bear the trade names Sceptre or Orion.

Briefly . . .

South Wales police authority's buildings director, Mr. Thomas Griffiths, was suspended on full pay after being served with summonses alleging conspiracy, corruption and bribery.

Queen Victoria's nightdress is among 260 curiosities the RSPCA plans to sell to raise money for a new home for retired horses.

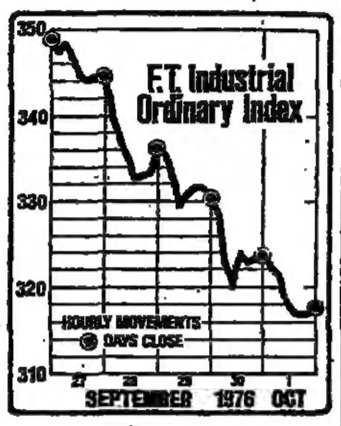
Wimbledon 18-month-old boy was seriously ill in a Roehampton hospital after falling 40 feet from a window ledge at his home.

Christina Onassis, 25, filed a petition for her second divorce with the Greek Orthodox Archbishopric less than 15 months after marrying Alexandros Andreadis.

BUSINESS

Equities down 6 to new year-low

● EQUITIES remained nervous at the end of their worst week this year. FT 30-share index closed 6 points off at a low for the year of 317.5. The 31.4 fall



for the week was the biggest since June 27, 1975. FT All-share Index fell 7.08 per cent. over the week. Gold Mines Index was 1.8 lower at 106.9.

● GILTS shorts rose 1/16, longs eased 1/4. Government Securities Index was off 0.05 at 59.13.

● GOLD was down $1/2 at $116 1/4.

● STERLING put on 80 points to $1.6690. Weighted average depreciation was 44.7 per cent. (44.6). Dollar's was 2.78 (2.82)

● WALL STREET closed off 10.30 at 979.89.

● BANK OF America is reducing its prime rate to 6 3/4 per cent. from 7 per cent., from Monday.

● ARGENTINA has temporarily suspended by presidential decree all profit remittances and capital withdrawals by foreign companies.

BP oil deal with Brazil

● BP IS to start exploring for oil off Brazil within the next six months, under a contract signed with the Brazilian State-controlled oil company Petrobras. Back Page

● U.S. FEDERAL Energy Administration's Mr. Frank Zarb strongly urged the U.S. Government not to allow Alaskan oil to be exported when production begins next summer. Page 15

● UNION ANGER over fringe benefits for British Oxygen company directors rose despite further denials by the company that it was breaching or intended to breach the 4 1/2 per cent. pay policy. Back Page

● EMPLOYERS and EPTU say they have evidence of pay policy-busting deals negotiated on construction sites for the steel, oil and chemical industries. Back Page

● INDUSTRY Department has revised downwards by 10 per cent. its figures for capital investment by the chemical industry in 1975, and is forecasting a further drop during the rest of this year. Page 15

● TGWU general secretary Mr. Jack Jones attacked "politically motivated men in high finance" in the wake of the sterling crisis. Page 15

● ALCAN BOOTH and Alcan U.K. are cutting credit time for customers. From November 1, all payments will be required net cash 30 days from invoice date. Page 10

COMPANIES

● GOVERNMENT inquiry into Scottish and Universal Investments has been suggested by Mr. Dennis Canavan, Labour MP for West Stirlingshire, in a letter to Trade Secretary Mr. Edmund Dell.

● LYLE SHIPPING first half pre-tax profits fell sharply to £62,000 (£637,000). Directors forecast the second half should mark a return to higher levels. Page 16

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Electric 5 1/2pc '76-79	£34 1/4	+ 1/4
Harrisons & Crosfield	412	+ 12
HK and Shanghai	345	+ 8
Jardine Matheson	335	+ 13
Milford Docks	50	+ 5
Weyburn Eng.	286	+ 8
BP	612	+ 5
Kamunting	38	+ 5
Malayan Tin	223	+ 8
Southern Kinta	95	+ 7
Southern Malayan	173	+ 10
FALLS		
Asscd. P. Cement	137	− 5
Aurora	48	− 6
Beatson Clark	62 1/2	− 4 1/2
Chapman (Balham)	95	− 5
Chesterfield Props.	115	− 8
Glanfield Secs.	120	− 15
Glaxo	313	− 5
GKN	244	− 14
Hammerson "A"	280	− 17
Haslemere Estates	140	− 7
Hoover "A"	225	− 10
Johnson-Rchrds. Tiles	126	− 12
Lake and Elliot	41	− 6
MEPC	45	− 4
Peters Stores	31	− 7
Prop. Hldgs. Inv.	178	− 12
Ready Mixed Concrete	71	− 4
Securicor "A"	34	− 5
Security Servs. "A"	43	− 5
Sheaf Steam	86	− 8
Sun Alliance	338	− 7
Tate and Lyle	228	− 4
Taylor Woodrow	232	− 6
Thorn Elect.	166	− 6
Tube Invs.	280	− 12
Tunnel "B"	138	− 8
Berry Wiggins	18	− 3 1/2
Falcon Mines	85	− 5
Selcast	76	− 6

Labour still deeply split on long-term economic strategy

BY RICHARD EVANS, LOBBY EDITOR, IN BLACKPOOL

The Labour Party ended its annual conference here yesterday in support of the Government in its battle to bolster the pound, but more deeply divided than ever over longer-term economic strategy.

The concerted efforts of Mr. James Callaghan, Prime Minister, Mr. Denis Healey, Chancellor, and other Ministers to force the party to unite behind the Government because of the fear of alternatives may have worked in the short term, but gaps between the leadership and the party's rank and file have not been bridged.

The conference showed that at a moment of economic crisis the Government has the continued support of the TUC and, almost certainly, of the overwhelming majority of the Parliamentary Labour Party. But the party itself, including the national executive committee, seems determined to continue to embarrass Mr. Callaghan.

In party terms everything now depends on developments in the respite gained by the International Monetary Fund loan and on whether any economic or fiscal measures are considered necessary by Ministers in coming months.

There was still an insistence by Ministers yesterday that no strings involving further reductions in public expenditure would be attached to the IMF loan. But many MPs continued to feel that some measures might have to be taken by the Chancellor on his own initiative.

Mr. Callaghan, in a radio interview yesterday, said he was confident the IMF would not impose any unacceptable conditions.

"There is a general understanding throughout overseas governments that the policies the Government is following are not only courageous but right.

"The Chancellor will tell the IMF that our policies are right and that we are creditworthy." It would take a long time to achieve success and he was not talking about a six-month miracle.

The need for the Labour movement to give full backing to the Government was underlined by Mr. Jack Jones, general secretary of the Transport and General Workers' Union, whose moral support throughout an intensely difficult week has been one of the most significant features of the Labour conference.

Frustration

Ministers are well aware that the deep feelings of anxiety and frustration at Government policies expressed in debates throughout the week have been kept in check only by the continuing support of Mr. Jones and his TUC colleagues.

Mr. Jones said in a BBC radio interview from Blackpool that there was now a widespread understanding in the movement and the country that the Government was facing the biggest challenge of any administration for many years.

"The trade union movement and, I believe, the Labour Party in the field are going to give the fullest support to the Government. Of that I have no doubt at all," Mr. Jones added. He admitted that to bring about a better society in current circumstances compromises had to be made. Sometimes progress was more slow then he would have liked. He thought news of the pound this week had brought the economic situation sharply to the minds of delegates.

Those who were perhaps not very conversant with the intricacies of finance had seen the reality of the situation. "I believe the general desire of trade unionists and Labour Party supporters is that this Government must succeed. Frankly, there is no alternative."

Mr. Jones emphasised that unions were not going to go back to a wages explosion or a free-for-all but were going to try to deal with the problem of productivity and the necessary incentives to make industry more efficient. He believed the country's economic position would be quite substantially improved by August if people co-operated and recognised they had to get the country out of its bad state.

Sir Keith urges billions off public spending

BY PETER HENNESSY, LOBBY CORRESPONDENT

SIR KEITH JOSEPH, Conservative spokesman on policy and research, called on the Government yesterday to introduce a two-year programme of expenditure cuts.

"I am not talking about hundreds of millions; I am talking about billions. The Government has to bite the bullet," he said.

He did not specify the precise areas in which cuts should be made, but spoke of inessential, ill-considered and wasteful services that could go. Civil servants could identify the areas for savings, he said, but they had a vested interest in big government.

Sir Keith made his remarks while launching a volume of collected speeches, in London, on the eve of publication to-day of a Conservative strategy document which is likely to form the basis of the next Tory election manifesto.

He said that if the policies outlined in his speeches over the past two years had been followed, and public spending prevented from rising to current levels, the sterling exchange rate would be 30 per cent. higher and unemployment substantially lower.

The prediction made by Mr. Denis Healey, Chancellor of the Exchequer, that there would be no strings attached to the latest IMF loan, was as erroneous as his previous forecasts.

"We have to restore confidence in the private sector. Unemployment will fall as quickly as the Government stops the vendetta against the job-creating private sector," he added.

Sir Keith released the text of an open letter to the Prime Minister. In it he described the social contract as "a fool's bargain" and said that unless Mr. Callaghan could free himself from its "straitjacket" the price would be continued inflation, unemployment and slump.

Governments created inflation through excess monetary demand: trade unions created unemployment by raising wage costs to uncompetitive levels. Both sides were prevented from remedying these defects by the social contract. Mr. Callaghan should acknowledge the errors of past policy, explain to the country what was needed and carry it into effect. It was common ground now that inflation destroyed jobs.

The common ground between political parties should be extended on the American and West German pattern. It was not the same as the middle ground in British politics, which had been distorted by Labour's drift to the left.

Sir Keith praised Mr. Callaghan for his recognition at the Labour Party conference that profits and rising productivity were vital to achieve prosperity. But most delegates did not believe a word of the speech, he said, and the Prime Minister had glimpsed only part of the truth.

● Mr. Terence Higgins, Conservative spokesman on trade, yesterday urged the Government to call a General Election and resign. Only a Conservative administration could restore confidence in sterling, he said.

There will be an emergency debate on the economy in the House of Lords on Monday, Lord Peart, Lord Privy Seal, announced.

German poll likely to be close

BY ADRIAN DICKS

BONN, Oct. 1.

THE WEST GERMAN political parties wound up a bitter election campaign to-day among predictions of an outcome of Sunday's vote that varied between a narrow win for Chancellor Helmut Schmidt's Coalition Government and a stalemate from which the Christian Democrats might emerge in a better position.

There was good news for Herr Schmidt's Social Democrats and their Free Democratic coalition partners in the September unemployment figures. They showed a drop of 40,500 in the number of people out of work, taking the total down to 898,700 and the unemployment rate down from 4.1 to 3.9 per cent.

The figures took the total below 900,000 for the first time since November, 1974, and the Government spokesman, Dr. Armin Gruenewald, pointed to the greatest August-to-September improvement since 1970.

Herr Franz-Josef Strauss, the Bavarian opposition leader who will become Finance Minister if the CDU wins, dismissed the figures as no more than a normal seasonal improvement.

Fears of a tied result have begun to be heard more often. Herr Strauss joined those who have predicted that neither Government nor Opposition will have a majority in the Bundestag.

If this is the outcome of the election, the CDU-CSU would undoubtedly renew its invitation to the Free Democrats, under Herr Hans-Dietrich Genscher, to join a new coalition. It would argue that, because of the majority which CDU-governed States already hold in the Bundesrat, or Upper House, Herr Helmut Kohl could head a more effective Government than a severely weakened Herr Schmidt.

TV debate

In a television debate among the four main party leaders last night, Herr Strauss attacked Chancellor Schmidt for complacency towards unemployment and other economic problems.

Two other indicators published on the eve of the election, however, seemed to reinforce the Chancellor in his broad message to Germans that they should consider themselves the best-off nation in Europe.

The first pointer was a hint from the federal statistical office that the cost of living had probably risen no more than 0.1 per cent. in September and 4 per cent. from a year before. The second was the report of an "explosion" in export orders in July.

Although there is room for dispute about how fast the economy is expanding, Herr Schmidt last night based his appeal to the voters on the argument that West Germany has come through a world-wide recession in better shape than other countries.

Against this, the Opposition leaders were forced back to the claim that the level of confidence in the economy would be higher under a Government that gave greater attention to personal freedoms.

Feature Page 15

Pound gains a little ground

By Michael Blanden

THE pound gained a little ground against the dollar yesterday at the end of a week of crisis which prompted the Government to ask the International Monetary Fund for a $3.9bn. standby credit.

Foreign exchange markets remained nervous with continuing uncertainty over the possibility of further measures by the U.K. At one stage during the day sterling moved up to touch $1.6817 1/2 with continued rumours that there could be a further rise in the Bank of England's minimum lending rate.

The pound slipped again during the afternoon after the news that minimum lending rate was unchanged at 13 per cent. By the end of dealings in London it stood at $1.6690 to show a rise of 80 points on the day. Its average depreciation against other leading currencies from December 1971 levels widened again, from 44.6 per cent. to 44.7 per cent., with the markets still being affected by the strength of the D-Mark ahead of this week-end's West German election.

This left the pound significantly stronger than the low points it reached at the height of the crisis on Tuesday. Then it reached $1.63 and a depreciation of 45.5 per cent. in its biggest fall in a single day since sterling was floated, prompting Mr. Denis Healey, Chancellor, to turn round at London's Heathrow airport and cancel his planned trip to Hong Kong and Manila.

In New York the £ closed over a cent higher than in London at $1.6805.

Since Wednesday's announcement of the IMF application, sterling has remained fairly volatile. Market traders have suggested that there has been little evidence of significant support for the rate by the Bank of England, although there may have been intervention in forward markets.

The pound remains well down over the past week with yesterday's rate comparing with a level of just more than $1.70 last Friday. Since the pressure first developed as a result of the threatened seamen's strike early last month, the value of sterling has dropped by 5.7 per cent. against the dollar and by 8 per cent. against the average of other leading currencies.

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Table on fall in £, Page 10

£ in New York

—	Oct. 1	Previous
Spot	$1.6795-6815	$1.6650-6690
1 month	1.88-1.83 dis	1.85-1.78 dis
3 months	4.80-4.75 dis	4.67-4.57 dis
12 months	15.00-14.80 dis	14.70-14.50 dis

Italy adopts crisis policy to save lira

BY DOMINICK J. COYLE

ROME, Oct. 1.

WHAT AMOUNT to crisis measures to arrest the sharp decline of the Italian lira were announced here to-night after an emergency Cabinet meeting. The discount rate goes up immediately by three points to a historic high of 15 per cent. and a 10 per cent. tax will apply at least for the next two weeks on all foreign currency transactions.

The measures came at the end of a day which saw the lira rate against the U.S. dollar decline a further 13 points to 873 at this afternoon's "fixing," an effective devaluation of some 27 per cent. since January 20, when the authorities closed the foreign exchange market temporarily to prevent a run on the currency.

Sig. Andreotti: Assurance for Italians.

Defections

The crisis then stemmed primarily from the fact that the Moro Government had lost its Parliamentary majority through defections of coalition parties, and a General Election appeared imminent.

Now the election has passed, albeit with an inconclusive result, the Christian Democratic Government under Sig. Giulio Andreotti is still a minority Government, and no concrete legislative proposals to tackle economic and social problems have been announced.

Sig. Andreotti, having promised earlier a full policy statement by Thursday night at the latest (his failure to provide it was one of the main factors influencing the foreign exchange market to-day) went on television to-night to assure Italians that they should not get caught up in a sea of national pessimism.

He acknowledged that Italy faced major difficulties, reflecting in part a joint statement earlier to-day by his Treasury and Budget Ministers that Italians were living beyond their means. Italy was bogged down in international debts (some $14,000bn., £9bn.); had little prospect of raising loans internationally; and had inadequate reserves, in part owing to the Bank of Italy's expensive, ultimately vain, attempts to support the exchange rate.

The Prime Minister warned Italians that his minority Government, which in Parliament had "more abstentions than votes" — a reference to the fact that the Government could win a post-election vote of confidence only because of the abstention of the Communist Party — would introduce new measures next week to increase taxation.

There would also, he said, be proposals to effect a cut in the State-sector deficit and by implication at least, much less dependence than traditional with Italian Governments on deficit financing.

Sig. Andreotti promised, as indeed did many of his predecessors, a direct attack on tax evasion, though he claimed steps already taken this year brought a higher direct tax yield than estimated. He promised to end the celebrated Italian process whereby each week-end national holiday becomes a long week-end away from work, leaving a four-day working week.

He foreshadowed proposals to increase competitiveness of labour costs by early adjustments to threshold payments. Workers earning over L8m. (about £4,000) a year would receive no cost-of-living payments in the next two years.

This proposal will inevitably put the Government into direct confrontation with the powerful trade unions which, while prepared to concede the principle of differential threshold payments, demand as compensation the right virtually to dictate geographical areas and industrial sectors to which new investment be channelled.

The Andreotti Government's programme for industrial reconversion has yet to be published in detail. But to-night's sharp increase in discount rate will hardly encourage the private sector of industry to new investment. A discount rate of 15 per cent. suggests the new prime rate of the commercial banks will be 21 per cent.

Another related measure tonight will oblige exporters to finance in foreign exchange 50 per cent., against 30 per cent. before, of value of exports billed in foreign currency.

As part of the Government's promised energy conservation programme and a direct contribution to reducing imports there is to be a wide range of price rises for petroleum products.

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ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

The week in London and New York

Confidence ebbs away

ONLOOKER

Markets have been badly demoralised this week and by the close yesterday the pound was still looking shaky having slipped noticeably against the dollar following the no change MLR announcement. Gilts had a steadier day yesterday but they are still deep into new low ground: and the equity market is now back to where it was at the beginning of August 1975. On the week the 30-Share index is a tenth lower with a drop of 31.4 points to 317.5 obliterating last week's progress. The setback over the account is 17.0 points.

In mid-week falls among FT quoted industrial shares were running at over 11 to 1 against rises, and dealing volume looks to have had its most active week for nearly four months to judge by the level of bargains marked. What happens in the new account still hinges heavily on the performance of sterling. But at least that Blackpool conference is now over, and after the Government's latest application to the IMF it begins to look as if we could finally see tougher measures to control inflation and domestic credit expansion.

Wimpey wilting

Wimpey's first half profits rise of just 3 per cent. to £15.7m. pre-tax has lopped a sixth off the shares this week. The result compares poorly with recent performances from some of the other construction majors and it now looks as if Wimpey's earnings progress this year and next is going to be slow. The implications in this for the housebuilding sector have not been lost on the stock market since Wimpey is far and away Britain's biggest housebuilder. Barratt Development, which claims to be number two, currently yields 15 per cent. despite sharply rising first half profits and Royco (which also reported this week) returns around 20¼ per cent.

Wimpey's sales of private houses this year will probably rise by 500 to 9,500 units and public sector output will remain virtually unchanged at just under 13,000 dwellings. But it is 1977 that Wimpey, like many other housebuilders, is worried about. Last year's mild winter has enabled it to build more houses than anticipated in 1976 and its order books are now falling, as recent public spending cuts begin to bite. August housing starts for both the public and private sector fell sharply and unless the inflow of money into the building societies recovers fairly quickly the prospect of a go-slow in mortgage allotments in 1977 looks increasingly likely.

But a mortgage squeeze is the last thing the housebuilders want at present with output this year still likely to be a fifth below the peaks of 1967. And with money costs now rising sharply the market is once again busily sorting out the highly geared groups from the more conservatively financed operations. At the moment Barratt's borrowings are moving up sharply under the impact of higher stocks and a £7m. recent addition to its land bank.

Pertamina deal

The terms of Ultramar's profits sharing scheme on gas production in Indonesia were announced this week and the news is good. It had been feared that the agreement would be set on the same lines as the recently renegotiated deal on oil production which is 15 per cent. of profits to Ultramar and 85 per cent. to the State-owned company Pertamina. But the gas ratios have been set at 35 per cent. Ultramar and 65 per cent. Pertamina, and this looks like upgrading outside estimates of Indonesian earnings potential.

Ahead of the new terms some analysts were expecting an extra 25p of earnings per share from Indonesia by 1980; this compares with 41p for the whole Ultramar group in 1975. Oil profits will of course be reduced from earlier expectations but with production here running at just 12,000 barrels a day oil represents a fairly modest part of the Indonesian operation. In contrast gas production has been estimated at more than 500m. cubic feet per day.

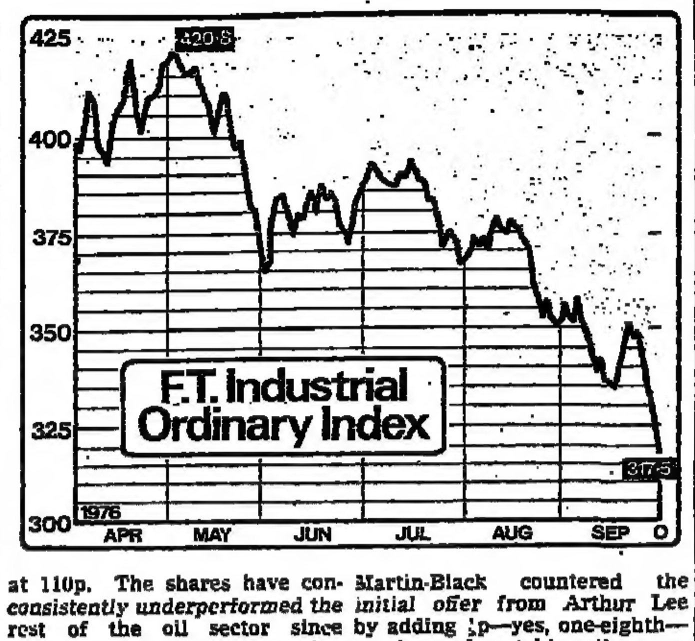
Ultramar's shares have not reacted favourably to the news moving 6p lower on the week at 110p. The shares have consistently underperformed the rest of the oil sector since February when the Indonesian Government stated its intention to renegotiate its production deals.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM SEPT. 2.

	% Change
Insurance Brokers	— 0.7
Investment Trusts	— 0.8
Oils	— 1.8
Tobaccos	— 3.4
Shipping	— 3.8
Wines & Spirits	— 4.0
All-Share Index	— 7.7

THE WORST PERFORMERS

Insurance (Composite)	—12.9
Motors & Distributors	—13.0
Stores	—13.1
Hire Purchase	—15.0
Merchant Banks	—15.6
Property	—16.4



Silver lining

One silver lining behind this week's particularly black stock market cloud is a totally unexpected bid for Mather and Platt. Shareholders in this fire protection engineer are being offered 120p in cash for shares worth just 67p before the news and whose high point over the past decade was the 115p touched at one point in 1970. The offer comes from Wormald International of Australia which has held 11 per cent. of Mather for some time and, not surprisingly, it is agreed. It takes Mather—whose profits this year are rising fairly rapidly—out on a p/e of around 11 which is probably getting close to double the prospective earnings multiple for the engineering sector.

The deal is a big one for Wormald with the £28m. purchase price representing something like 75 per cent. of its shareholders' funds. The financing arrangements are complex involving a four part package with roughly half the funds being raised through equity issues in Australia. Assuming the financing goes according to plan—and Mather does have substantial assets outside the U.K. which Wormald will be getting for little more than book value—the deal looks cut and dried.

In contrast the battle for control of Ronksley Investments is a tiddler but it is generating plenty of heat. This week Martin-Black countered the initial offer from Arthur Lee by adding ⅛p—yes, one-eighth—to the stakes taking them up to 4⅛p a share. Ronksley, formerly Arthur Lee (Investments) and controlled by Lee family interests, holds 40 per cent. of the unquoted wire rope maker Glover Group. This holding is what the tussle is all about.

Drought blight

Roughly two-fifths of Fison's 1975 profits came from the sale of fertilisers so the share price has understandably been weak this year, falling sharply following the onset of the drought conditions at the end of June. But Monday's half-year figures still left analysts shading their 1976 profit forecasts. First half sales of fertilisers are down 8 per cent. so the actual volume declines must have been fairly savage. There were cushions elsewhere within the group, notably in agrochemicals, but the current six months takes in the worst of the bad selling weather and at this stage it begins to look as if Fison's 1976 earnings are going to fall—after a decade of uninterrupted growth.

Last year's rights issue has taken care of any balance sheet strains but its (dilution) effect on earnings is less favourable. Fison's will be hard pressed to show much profits progress above the line this year—the interim pre-tax gain was just 1 per cent. to £10.3m.—so earnings per share could easily slip a 1p or so to 33p (for a prospective p/e of about 8). Meantime the industry is still waiting for ICI to lead the way with a price rise.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1976 High	1976 Low	
F.T. Ind. Ord Index	317.5	—31.4	420.8	317.5	Run on sterling
F.T. Gold Mines Index	106.9	—13.4	246.9	78.8	Fall in bullion price
Treasury 9¾% 1981	£88½	— 1⅞	£95⅞	£88¼	Interest rate fears
Southern Rhodesian 2½%	£52	— 8	65	22	Pft.-tkg. after recent upsurge
Cadbury Schweppes	36	— 7	55	36	Disappointing int. figures
Chubwa Tea	180	+115	185	46	Bid from James Finlay
Falcon Mines	85	—45	130	68	Profit-taking
Fisons	263	—27	417	258	Disappointing int. figures
Haden Carrier	58	—22	129	58	Interim profits setback
Hanimex	182	+22	182	120	Results/Cap. reorg./Div. forecast
Land Securities	119	—21	198	119	Interest rate fears
Lloyds Bank	180	—18	266	176	Dearer money conditions
Lonrho	63xr	—13	101½	58½	Doubts about Rhodesia benefits
Mather and Platt	103	+36	113	46	Wormald Int'l bid of 120p cash
Metal Box	225	—18	302	221	2.2m. share placing at 229½p
Reardon Smith "A"	68	—15	108	50	Poor first-half figures
RTZ	166	—18	239	153	Weakness of U.K. equity market
Sheaf Steam	88	—16	122	47	Ben Line bid talks protracted
Thorn Electrical	166	—36	288	166	Fears of increased VAT
Wimpey (Geo.)	35	—10	70	35	Disappointing int. figures

U.K. INDICES

Average week to	Oct. 1	Sept. 24	Sept. 17
FINANCIAL TIMES			
Govt. Secs.	59.56	60.04	60.01
Fixed Interest	59.34	59.69	59.66
Industl. Ord.	330.4	346.9	337.2
Gold Mines	110.9	119.1	110.3
Dealings mkd.	4,868	4,130	4,264
FT ACTUARIES			
Capital Gds.	123.75	129.28	126.48
Consumer (Durable)	102.97	108.72	106.62
Cons. (Non-Durable)	126.45	131.45	128.80
Ind. Group	130.21	135.36	132.56
500-Share	147.70	152.63	148.63
Financial Gp.	108.96	115.18	111.50
All-Share	138.07	143.03	139.22
20 year Govt.	45.69	46.17	46.23
Red. Debs.	47.14	47.52	46.55

Abrupt end to high flying

BY JAY PALMER NEW YORK, Oct. 1.

WALL STREET'S brief flirtation with the stratospheric levels of the Dow Jones Industrial Index ended as abruptly as it had begun five days earlier. Having shot up more than 20 points in one session ultimately to reach a new three-year intraday high of 1,026.26, the market collapsed last Tuesday.

Just as the burst upwards could be attributed almost entirely to the then fall off in interest rates and growing hopes that the Federal Reserve might loosen its credit reins, this week's reaction followed unexpectedly discouraging news on the economic front.

The Government's index of leading economic indicators, those which are said to "lead" or forecast future economic activity, took a sharp turn down in August. The 1.5 per cent. drop, the first such decline in 18 months, unfortunately more or less coincided with the news that August factory unemployment was at an 11-month high.

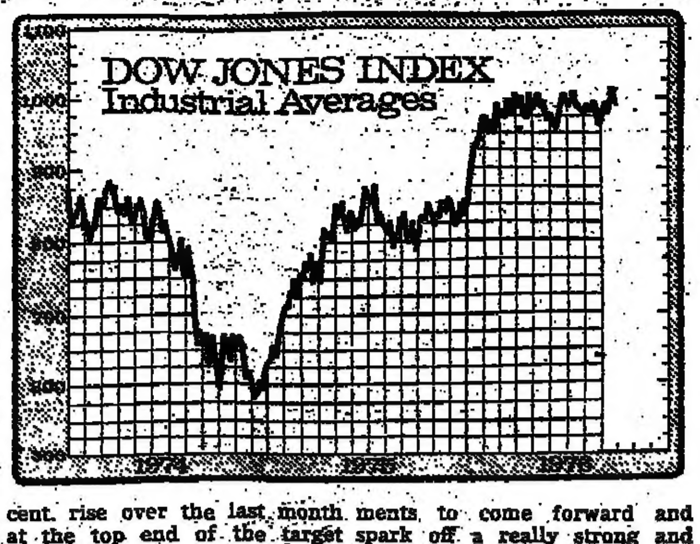
While many argued that these declines were only temporary phenomena and that, as usual, Wall Street had overreacted, there was and still clearly is increasing concern that the U.S. economic recovery has ground to a stop. It may still be a bit premature to take this sort of dogmatically pessimistic view but nevertheless this historic accuracy with which this indicator has predicted swing behoves some caution.

It is dangerous to read in terms of market predictions too much into any one set of figures (although, one can argue quite convincingly that this is just what Wall Street is itself doing) but nevertheless the latest set of money supply figures out of the Federal Reserve do seem somewhat bullish.

While the latest rise in M2, the much broader measure of money supply, leaves that indicator showing a near 10 per cent. rise over the last month at the top end of the target levels, M1 remains effectively unchanged over the same four weeks. Given the Fed's obvious success in keeping M1 growth down, there now begins to look as if there is no way that credit could again be tightened between now and the November Presidential elections.

This must take one big burden of worry off the market and that, if not in itself enough to fuel a rally, could clear the air for other optimistic factors to work their will. It still remains, as it has done for much of this year, for some one or two particularly favourable developments to come forward and spark off a really strong and sustainable upturn.

This is not likely to happen until the market sees whether the "leading" indicator is correct and hears the result of the election. After that anything goes. Wall Street has now burst through the 1,000 level some six or seven times this year and sooner or later it must manage to stay above that level.



Dow Jones Industrial Index

Day	Close	Change
Monday	1,013.13	+ 3.82
Tuesday	994.93	—18.20
Wednesday	991.19	— 3.74
Thursday	990.19	— 1.00
Friday	979.89	—10.30

Mining: Charms of the Orient

.BY PAUL CHEESERIGHT

PICTURE A faintly gleaming piece of jewellery in an off-white colour, silvery even, set off against a darkish skin. Picture, in fact, platinum jewellery on the clothing of Japanese women. It is an image that must bring constant pleasure to the management of the world's two largest platinum producers, South Africa's **Rustenburg Platinum** and the **Union Corporation's Impala Platinum**.

The taste of the Japanese for platinum, which is once again dearer than gold, is a plus factor for the producers at a time when they are being cautious about the anticipated recovery in world demand.

The caution crept out of the statements this week by Rustenburg's Sir Albert Robinson and Impala's Mr. Ian Greig. Sir Albert notes the improvement in the U.S. economy but comments that industrial demand for platinum has not increased substantially. Mr. Greig thinks recovery from international recession is slowing down, a point borne out by the downturn in the U.S. index of leading economic indicators.

Since the end of last year, car sales in the U.S. and Japan have "improved markedly," says Mr. Greig. The more that are sold the better for the producers because of the use of platinum as a catalyst in exhaust control emission systems. In the 1979 model year standards demanded under the U.S. Clean Air Act should become more stringent, thus quickening the demand for platinum.

For the moment both producers are operating well within their capacity, despite the increases in output they announced earlier this year. In March Rustenburg said steps were being taken to increase platinum output from 900,000 ounces a year. Last month Impala announced an increase to 700,000 ounces a year after 600,000 ounces were produced in 1975-76.

While this suggests a measure of confidence it is also clear that the companies do not want to be caught out by a sudden upsurge in demand. "The market for platinum and platinum group metals is notoriously volatile and the recovery when it comes could be vigorous," say the Impala directors.

Between March and July it seemed as if a recovery in prices would be sustained. The surge in the free market allowed the producers to increase their own prices, but then values began to slide and the producer prices have again fallen below the free market level. It is a measure of the current uncertainty that Rustenburg and Impala have ceased to move their prices in tandem.

Solemn prayers

This sort of performance has turned the prayers of the gold miners from litany to dirge. The South African mining finance house, **Middle Witwatersrand Areas**, which draws 81 per cent. of its dividend revenue from gold has warned that this year's dividend rate of 35 cents (24.5p) may not be maintained unless the fall in the bullion price is reversed.

With the free market price at more than $160, platinum is nearly $50 an ounce more expensive than gold. This week the bullion price has been drifting, ending at $116.125 for a net fall over the five trading days of $3.125. The Gold Mines index has moved similarly, losing 13.4 to 106.9.

The General Mining group's **Buffelsfontein** mine is apprehensive. The chairman, Mr. J. C. Fritz, says that the lower gold price will seriously affect the earnings of the mine "and if sustained will have an adverse effect on the mine's future."

Harmony Gold Mining, which is part of the **Barlow Rand** group, is luckier. The sale of stockpiled uranium made a major contribution to increasing uranium profits to R14.8m. (£10m.) for the year to the end of last June. Expansion plans for uranium are being brought forward, but the chairman, Mr. A. C. Petersen, warns that while uranium earnings have a significant influence on total profits, they are not sufficient to compensate for any further substantial decline in the gold price. Harmony has already passed its interim.

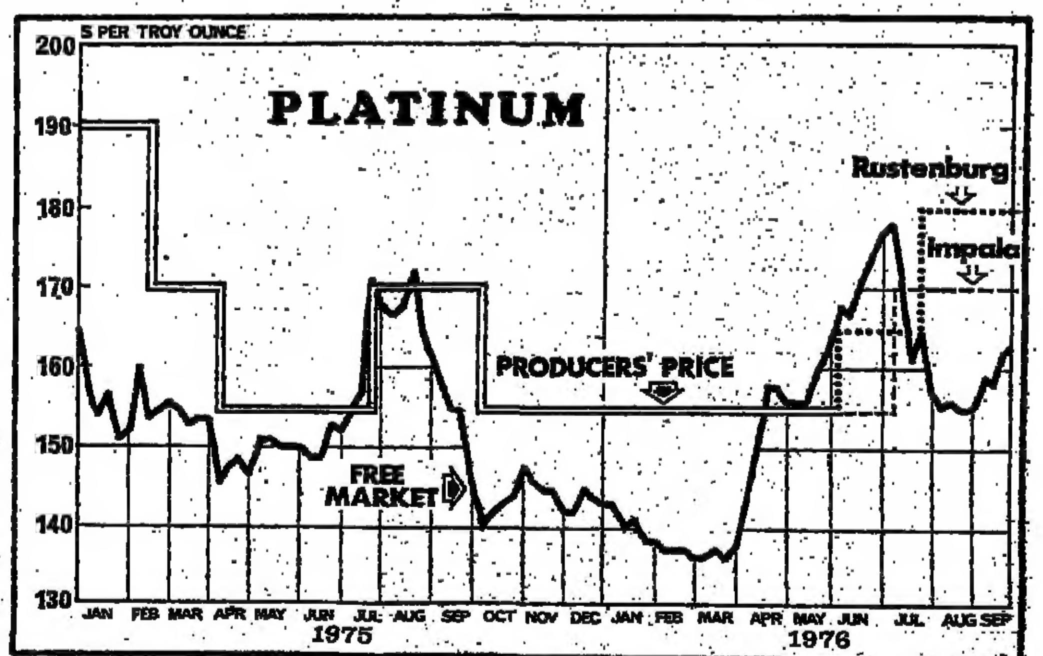
Put briefly

● Following rapidly on its agreement to supply an extra 6m. tonnes of iron ore to the Japanese after 1979, the **Rio Tinto-Zinc** group's **Hamersley** mine in Western Australia has had to stop operations. A labour dispute, the latest in a long succession which have bedevilled the Pilbara, hit the mine. It was caused by what Hamersley's management spokesman called "a jumble of inter-related issues that change by the hour."

● Higher tin prices have lifted the Cornish producer, **Geevor**, back into profits in the financial year that started on April 1, and the chairman Mr. A. L. Thomas states in the annual report that profitable trading should continue. This financial year Geevor has seen the tin price climb from £3,650 to over £4,750 per tonne, while output levels are higher.

● Another tin producer, **Malaysian Tin**, is looking to higher earnings because of the same factors. But **Kamunting Tin Dredging**, part of the **London Tin** group, is deferring a decision on its final dividend for the year to the end of last March following a drop in pre-tax profits to £501,015 after £853,008 in 1974-75. Kamunting is seeking to change domicile to Malaysia.

● In a deal that could be worth $A150m., **Comalco**, the Australian aluminium group, is planning to increase its holding in **Queensland Alumina** to 30.3 per cent. by purchasing the **Conzinc Riotinto of Australia** holding of 12.5 per cent. and the **Kaiser Aluminium** stake of 4 per cent. The new arrangement would leave Kaiser with a 28.3 per cent. holding, while the stakes of **Alcan** at 21.4 per cent. and **Pechiney** at 20 per cent. would remain unchanged. Comalco plans to sell its half interest in **Dampier Salt and West Pacific Salt** to CRA.



TV Radio

† Indicates programme in black and white

BBC 1

9.05 a.m. Ragtime. 9.20 On The Move. 9.30 Multi-Coloured Swap Shop. 12.27 p.m. Weather.

12.30 Grandstand: Football Focus (12.35): World Orienteering Championships (1.05) William Younger World Championships; Racing From Haydock Park (1.35, 2.05, 2.35, 3.05); Crown Green Bowls (1.50, 2.20, 2.50, 4.30) Tom Thumb Champion of Champions Trophy Competition; Rugby League (3.20, 3.50) Bradford v. St. Helens; 4.40 Final Score.

5.05 Tom and Jerry.
5.10 News.
5.20 Sport/Regional News.
5.25 The Wonderful World of Disney.
6.10 Dr. Who.
6.35 Bruce Forsyth and the Generation Game.
7.25 The Duchess of Duke Street.
8.15 The Two Ronnies.
9.00 Starsky and Hutch.
10.20 News.
10.40 Match of the Day.
11.40 Parkinson.

All Regions as BBC-1 except at the following times:—

Wales—12.40 a.m. News and Weather for Wales.

Scotland—4.55-5.05 p.m. Score-

News and Weather for Northern Ireland.

BBC 2

7.40 a.m.-1.55 p.m. Open University.
2.40 Saturday Cinema: Anna Neagle in "The Courtneys of Curzon Street."
4.30 Vision On.
4.55 The Money Programme.
5.45 Open Door.
6.15 Network.
6.45 Mr. Shepard and Mr. Milne.
7.25 M*A*S*H.
7.50 Mr. Magoo.
7.55 News and Sport.
8.15 The Lively Arts—In Performance. Opera: "The Barber of Seville" by Rossini.
9.55-10.05 Interval.
10.50 The Gamekeeper.
11.50 News On 2.
†11.55 Midnight Movie: "Captive City," starring David Niven.

LONDON

9.00 a.m. A Present from the Past. 9.25 Play Soccer—Jack Charlton's Way. 9.50 Saturday Scene. 9.55 Superfriends. 10.50 Junior Police Five. 11.00 Space 1999.

12.00 World of Sport: 12.05 p.m. International Sports Special: All-Ireland Gaelic Football Final: Dublin v. Kerry; 12.20 On the Ball; 12.50 Golf—Dunlop Masters; 1.10 News from ITN; 1.20 The ITV Six—1.30, 2.00 and 2.35 from Chepstow; 1.45, 2.20 and 3.00 from Newmarket; 3.15 Golf—Dunlop Masters; 3.50 Half-

6.15 New Faces.
7.15 Sale of the Century.
7.45 Columbo.
9.00 Within These Walls.
10.00 The Many Wives of Patrick.
10.30 News.
10.45 Aquarius.
11.30 Homicide.
12.30 a.m. Close—Roger McGough reads one of his poems.

All ITV Regions as London except at the following times:—

ANGLIA

9.50 a.m. Inner Space. 10.15 Animal Alphabet. 10.20 Felix the Cat. 10.30 Cartoon Time. 10.45 Breaktime. 11.10 Clapperboard. 11.35 Arthur. 5.20 p.m. New Faces. 6.20 Jonathan Routh and Candid Camera. 6.45 Saturday Night Movie: "The Battle Of The River Plate" starring Peter Finch, John Gregson and Anthony Quayle. 11.30 Dan August. 11.55 The Bible For Today.

ATV MIDLANDS

9.15 a.m. A Present from the Past. 9.45 Play Soccer—Jack Charlton's Way. 10.10 Tiswas. 5.10 p.m. Batman. 5.40 Space 1999. 6.35 Jonathan Routh and Candid Camera. 7.00 New Faces. 8.00 Within These Walls. 9.00 Police Woman. 10.00 Lucky Feller. 11.30 Dan August.

BORDER

9.30 a.m. A Present from the Past. 10.00 Focus on Wildlife. 10.25 Cartoon Time. 10.40 Big Blue Marble. 11.00 Play Soccer—Jack Charlton's Way. 11.30 Yellow House. †5.45 Border Sports Results. 5.50 Jonathan Routh and Candid Camera. 7.45 Saturday Film: "Fury at Gunsight Pass." 11.30 Dan August.

CHANNEL

5.15 p.m. Space 1999. 7.45 Mystery Movie: Amy Prentiss. 11.30 Baretta.

GRAMPIAN

10.10 a.m. Car Car. 10.30 Big Blue Marble. 11.00 Play Soccer—Jack Charlton's Way. 11.30 The Merrie Melodies Show. 5.15 p.m. Cartoon Time.

9.40 Play Soccer—Jack Charlton's Way. 10.05 Fantastic Voyage. 10.30 Saturday Matinee: "Breakpoint" starring Anthony Steel and Stanley Baker. 5.15 p.m. The Invaders. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.00 Baretta. 11.30 The Late Film: "Apartment for Peggy" starring Jeanne Crain.

HTV

9.35 a.m. A Present From The Past. 10.00 Sesame Street. 11.00 Breaktime. 11.30 The Count of Monte Cristo. 5.15 p.m. Batman. 5.45 Bless This House. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.0 Police Woman. 11.30 The Collaborators.

HTV Cymru/Wales—As HTV General Service except: 5.45-6.15 p.m. Sion a Sian.

SCOTTISH

9.15 a.m. A Present From The Past. 9.45 Play Soccer—Jack Charlton's Way. 10.10 Documentary: Children's Games. 10.35 Curly and Coconut and Co. 11.00 Breaktime. 11.30 Arthur of the Britons. 5.15 p.m. The Chemo Creatures. 5.20 Jonathan Routh and Candid Camera. 5.45 Bless This House. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.00 Police Woman. 10.45 Aquarius. 11.30 Late Call. 11.35 Jason King.

SOUTHERN

9.15 a.m. A Present From The Past. 9.40 Play Soccer—Jack Charlton's Way. 10.10 Regional Weather Forecast. 10.15 Breaktime. 10.40 The Rovers. 11.05 Space 1999. 5.15 p.m. Mission Impossible. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.00 Police Woman. 11.30 Dan August. 12.25 a.m. Southern News.

TYNE TEES

9.30 a.m. A Present From The Past. 10.00 A Big Country. 10.25 Opportunity. 10.30 Lassie. 11.00 Play Soccer—Jack Charlton's Way. 11.30 Wait Till Your Father Gets Home. 5.15 p.m. Cartoon Time. 5.20 Jonathan Routh and Candid Camera. 5.45 The Adventurers. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.00 Police Woman. 11.30 The Streets Of San Francisco. 12.30 a.m. Epilogue.

ULSTER

10.35 a.m. Old House—New Home. 11.05 Play Soccer—Jack Charlton's Way. 11.30 Skippy. 5.00 p.m. Ulster Sports Results. 5.15 Phyllis. 5.45 Supersonic. 7.45 The Saturday Movie: "My Darling Daughters' Anniversary," starring Robert Young. 11.30 Police Woman.

WESTWARD

9.30 a.m. A Present From The Past. 10.00 Play Soccer—Jack Charlton's Way. 10.25 Look And See. 10.30 Spiderman. 10.55 The Gus Honeybun Show. 11.05 Daniel Boone. 5.15 p.m. Space 1999. 7.45 Mystery Movie: Amy Prentiss. 11.30 Baretta. 12.20 a.m. Talking Point.

YORKSHIRE

9.00 a.m. Farming Outlook. 9.30 A Present From The Past. 10.00 A Big Country. †10.30 Little Rascals. 10.40 Big Blue Marble. 11.00 Play Soccer—Jack Charlton's Way. 11.30 Batman. 5.15 p.m. Cartoon Time. 5.20 Jonathan Routh and Candid Camera. 5.45 The Adventurer. 7.15 Celebrity Squares. 8.00 Within These Walls. 9.00 Police Woman. 11.30 Man in a Suitcase.

TV Top 20

Week ended September 26

		Homes viewing (m.)
1 George and Mildred	Thms.	8.50
2 Bruce Forsyth and the Generation Game	BBC	8.20
3 The Sweeney	Thms.	7.95
4 Kojak	BBC	7.90
5 ITV This Is Your Life	Thms.	7.65
11 Mastermind	BBC	7.15
11 Crossroads (Wed)	ATV	7.15
13 Nine O'Clock News	BBC	7.05
14 Crossroads (Tue)	ATV	7.00
15 Crossroads (Fri)	ATV	6.90
16 Coronation Street (Mon)	Gran.	6.85
17 Coronation Street (Wed)	Gran.	6.80

RADIO 1 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 8.00 Wally Whyton (S) (also on VHF) with Junior Choice. 10.00 Kid Jensen. 12.00 Paul Gambaccini: Pop and soul records. 1.31 p.m. Brian Protheroe's Top 12 (S) (also on VHF). 2.30 Alan Freeman (S) (also on VHF). 5.31 It's Rock 'n' Roll (S) (also on VHF). 6.30 In Concert (S) (also on VHF). 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Tom Edwards (S), including 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Sam Costa (S). 12.02 p.m. Two's Best (S). 1.02 The Gag-Crackers' Ball (series). 1.30-5.55 Sport On 2 (1500m only, also 202m Scotland, VHF joins Radio 1): Football League Special (1.30, 3.45, with a classified check at 5.00 and 5.45); Racing Special (2.15, 2.55, 4.30, 5.40); Rugby Union (1.30, 2.05, 3.35, 4.50, 5.25) Cardiff v. Argentina, commentary and reports; Golf (1.30, 2.00, 2.25, 3.05) Dunlop Masters Tournament. 5.00 Sports Report. 6.03 Wally Whyton (1500m only, also 202m Scotland, VHF joins Radio 1) with Both Sides Now. 7.02 The Eric Morecambe and Ernie Wise Show (1500m only, also 202m Scotland, VHF joins Radio 1). 7.30 Radio 2 Top Tunes (S). 8.15 Kings Of The Keyboard (S). 8.45 Berlin Greets London (S). 10.02 Nordring 76 (S).

RADIO 3

RADIO 4 434m, 330m, 285m and VHF

BBC Radio London 206m and 94.9 VHF

London Broadcasting 261m and 97.3 VHF

Capital Radio 194m and 95.8 VHF

CHESS SOLUTIONS

Solution to Position No. 134

1 Q-N5, P-KR3 (if P queens ch; 2 R-K1 dis ch); 2 RxQNP dis ch, PxQ; 3 N-B6 ch, K-K1; 4 R-B7 mate.

Solution to Problem No. 134.

1 R-QR7. If 1... K-K3; 2 Q-K4, P-Q4; 3 Q-N6 mate. If 1... K-B4; 2 R-B7 ch, K-K4 (K-N3; 3 R-B6 mate); 3 Q-B4 mate. If 1...

Your savings and investments

Putting the accent on safety

BY CHRISTOPHER HILL

IT LOOKS as if the development of the Surinvest group will take a new direction in about a month's time with the launching of a new offshore fund called Surinvest American Index Trust. This follows very much the same principle as the group's Copper and Silver funds in that the aim is to cut management discretion to the minimum by buying the goods and letting the investors decide whether they wish to stay in or get out. The difference with this new fund is that instead of being based on the physical purchase of commodities, it will be based upon the Dow Jones Index. SAIT aims to invest 90 per cent. of its funds through the dollar premium in an underlying company Surinvest American Index Fund (SAIF) which will invest only in the 30 shares of the Dow Jones Index. Since the latter is an unweighted average of leading stocks this should be a fairly simple operation—much easier than using Standard and Poor's—and the fund will remain fully invested apart from 10 per cent in cash which will be used to redeem shares without selling securities in SAIF. Therefore, what it amounts to is a fund which should perform closely in line with the Dow Jones Index and it is up to investors to decide what to do about timing.

An index fund is not exactly a new concept and a few years ago would have been rejected on the grounds that people expect to do better than a market index. But nowadays aspirations are not so high and—especially where overseas investment is concerned—there have been some fairly catastrophic decisions by fund managers both in terms of stock selection and foreign loans. This is why Surinvest intends to have nothing to do with foreign loans and indeed insists that the rise in the dollar premium has been an important part of the total profit of any U.K. investor in the U.S. viewed in the light of the continuing weakness of sterling. After the events of this week one can see some point to this argument, although others might say that holding premium currency at these levels also gives hostages to fortune.

This fund is designed with the professional investor in mind and, if it is successful, a similar fund based on the Tokyo Dow might be on its way. But what I find interesting is how the concept of active fund management in the "go-go" sense is taking a back seat in the current climate. Only a few years ago, Mr. John Ormond, managing director of Surinvest, was one of the arch-apostles of daring equity investment. Now he is a protagonist of the type of "fixed investment" fund—which takes one back to when unit trusts were first introduced in the 1930s.

Another group which now seems to be veering towards adopting a cautious investment approach is Merchant Investors Assurance which successfully rode the crest of the wave during the property boom and then gently subsided as its parent company, United Dominions Trust, got into difficulties. This year it has suddenly gained a new lease of life having been taken over by the £2.8bn. Nationale-Nederlanden group (the biggest of the Dutch insurance groups). Now the name of the game as far as it is concerned is to get establishmen names behind it rather than trying to beat all-comers in performance terms and this is at the back of the recent announcements that Gerrard and National Discount Company is to manage the Money Market Fund; John Govett (the large investment trust group) is to manage the equity fund and Richard Ellis (leading chartered surveyors) is to run the property fund.

What is interesting, however, is that whereas a few years ago the Money Market Fund would have been an also-ran to the equity and property funds, it is now put forward as a way to make money rather than just to conserve it. When the average money market fund was launched during the 1974 era, most appeared to be designed as a sort of "waiting room" for investors who could go temporarily into cash until the time was right to switch back into property or fixed interest funds. The inference was that there was no real money to be made in fixed interest.

The difference now is that Merchant Investors is saying that there are basically two types of fixed interest fund—a "waiting room" fund which will merely put the money on deposit and leave it there to vegetate and the "money" fund which will actively deal in short-term money market instruments and go into gilt-edged investments when the time seems right. This is why Gerrard and National has been retained as the experts in this field and the idea is that they will do better than the individual or the "waiting room" fund could do by just leaving money on the street or in gilts.

It has been noticeable that the appeal of this type of investment has grown over the past year. Individual investors mention "short-dated gilts" more frequently than once was the case, and there are more institutions in the field offering investment vehicles which cater for the average man.

Overseas trends

UNIT TRUST managers have generally been complaining about the low level of unit trust sales in recent weeks, although there do seem to be some bright spots. For example, rather to everyone's surprise the new Chieftain group got off to a fair start three weeks ago with its High Income fund and now has over £500,000 in the kitty. Apparently, a 13 per cent. yield still has its appeal in a climate where people are seeking to increase their incomes—a view with which Tyndall agreed in a recent newsletter.

But, looking at the performance figures for the industry (one month out of date), the overseas funds—especially those with a U.S. or Japanese link—are outperforming the rest of the field this year by a wide margin, and this trend should be even more apparent this month in view of the 6¼ per cent. fall in the U.K. market. It is also interesting to see that a number of the current top performers are also at the top of the list over the four year haul, while the sufferers are mainly those which are connected with U.K. financial stocks.

This is a significant change from the position only a few years ago when overseas interests were thought to be on the speculative side and fit only for a limited part of a conservative portfolio. Now the boot is on the other foot, with secondary U.K. stocks forming the basis of many income portfolios. There are two features which might become more important as the year draws to its close. The first is that many unit trust managers have been increasing their liquidity and this should start to be reflected in trusts' performance compared with that of the U.K. market indices. Second, it is likely that more of the general funds will start to expand their overseas interests. But going overseas is not easy in the light of the investment dollar premium and the problems of managing foreign currency loans as an alternative route. One can expect to see wide variations in the performance of funds with the same investment aims depending on the view they have taken on currency.

UNIT TRUST PERFORMANCE (TO SEPTEMBER 1, 1976)

8 months rise %		4 years rise %	
M & G American	30.8	S & P Japan	61.8
Henderson Far East	27.6	Hill Samuel Dollar	58.0
M & G Japan	26.6	M & G Japan	51.5
G.T. Japan	22.7	S & P Commodity	27.5
Allied Hambro Securities of America	21.3	Midland Drayton Commodity	24.8
Hill Samuel Dollar	19.6	Midland Drayton Intnl.	21.7
Slater Walker N. American	19.4	S & P European Growth	19.8
Stewart American	18.6	Jascot Commodity	19.7
Lawson American	18.5	M & G High Inc.	15.7
S & P Japan	18.0	Hill Samuel Intnl.	14.7

These figures are from Planned Savings and are on an offer to offer basis with net income reinvested.

● Sir Harry Page made the point in his report on National Savings that compared with many other developed countries, the U.K. had a bewildering number of official investment vehicles open to the small investor. The conclusion he drew from this was that the number only helped to confuse the investor and that everyone would be much better off if the selection was less and the main-stream products were to be made more intelligible to the average person.

But there is no doubt that, through bitter necessity, Mr. Average has become more knowledgeable on financial matters and is turning his attention to more sophisticated forms of investment. With this in mind, the latest issue of Keypoints, the information and news sheet produced by the Department of National Savings for post office counter people, has a section called "Gilts made easy," which explains the basic facts in a simple question-and-answer form. Investors can buy and sell Government securities over the Post Office counter without having to engage a stockbroker—which is a great advantage to the small man to whom a City expert may be even a greater enigma than the local bank manager. The low commission rates charged to investors through the bond and stock office are especially designed for the small investor.

● Another entry to the managed fund field this week is Beehive Life Assurance, the subsidiary of Lloyds Bank. This is known as the Black Horse Savings Plan and is linked to the Black Horse Managed Fund. The minimum contribution is a fairly hefty £25 per month, but it seems to be aimed up-market anyway, one suggested use being the meeting of school fee requirements.

● The importance of taxation as an influence on investment decisions has increased year after year, and the 1976-77 edition of the Hambro Tax Guide immediately drew out attention when it appeared this week. It also seems to have had the same effect on a lot of other people for the sponsors, Hambro Life, have ordered a reprint even before the book is published.

Fringe benefits

THE ARTICLES that appear on this page are mainly concerned with savings and investment for the individual. But, like the famous recipe, before one makes rabbit pie one has to catch the rabbit and similarly before one can invest one has to have the money. Readers will not need reminding that the Government's combination of high, even penal, taxation and pay policies with low upper limits have severely hit the take-home pay not only the top executives, but the skilled worker as well. While the semi-skilled has actually moved ahead in real terms, top executives have experienced a 20 per cent. cut over the past four years or more.

In these circumstances, fringe benefits become progressively more valuable to the executive and the recent Financial Times conference on total remuenration considered some of the ways in which salaries can be boosted — pensions, cars, hospitalisation schemes. The need of the specialist in designing remuneration packages was underlined and it looks like a growth area for tax consultants. But executives seeking to understand this new field may well find the book recently published by Money Management, the co-sponsors of the conference, on Executive pension and Benefits Handbook* more than useful.

The book is extremely comprehensive in providing details not only of the more well-known ideas, but some of the lesser known like employers' school fee schemes. Most of the book is however devoted to executive pension schemes and this section is well worth a closer study.

Pension schemes represent an involuntary form of savings — for most of us it is now a condition of employment to belong to the company pension scheme. But it is also the most tax efficient, with relief at the top rate on the outlay invested in a tax exempt fund and with a tax free lump sum benefit, through the communtation option, at retirement. It is this feature that makes executive pension schemes so attractive and is why they should be the main method of saving for top company personnel.

If an executive takes a salary increment directly, the ultimate cash amount looks derisory with little over for saving. If however it is paid into the company pension scheme it will boost the ultimate benefits at retirement—pension and the commutation sum. Executive schemes because of their small number of members can be designed to suit the requirements of each executive. The handbook explains the various methods in which benefits can be arranged.

Top Hat schemes have been around for some time, but it is now becoming big business. The unit-linked life companies have been very active in this field. The book lists the schemes available on the market and gives details of the companies offering such plans. It is therefore a convenient reference book to the firms of accountants advising the smaller companies on their tax matters.

ERIC SHORT

The outside men

THIS WEEK the investment trust sector has been a relatively bright spot of a wretched market in that trusts with a high dollar content (especially through the premium) have been resilient: and there also seems to have been a sympathetic backwash on to the mainly U.K. orientated funds. It must come as big relief to investment trust manager who have been keeping their heads down waiting for the tide of recent criticism to ebb away.

This kind of negative approach has not been encouraging for the long-term future and fortunately does not apply to everyone. In particular the Touche Remnant and Philip Hill groups have been making attempts to break out of the straitjacket by trying to promote their funds on an active basis through corporate advertising. This has mainly consisted of drawing attention to performance records and the results have not been displeasing. While difficult to measure accurately, Philip Hill noticed an improvement in the level of interest and Touche Remnant wonders whether its promotional efforts might not have contributed to the improvement in its discount over the past few months. Lord Remnant of the Touche Remnant group (which accounts for 10 per cent. of the industry) said that it was a pity one had to draw attention to one's performance rather than let it speak for itself, but unfortunately this seemed to be one of the facts of life.

Indeed, in Touche Remnant's case, bringing the average discount level of TR trusts into line with investment trust average over the past six months has contributed far more to price performance than could have been achieved in any other way. But, with the hindsight of a few months how do the chiefs of the investment trust industry feel about the criticisms which have been levelled at them? On the whole they seem to be champions of the status quo (as one might imagine), with the exception that most would like to see the most embarrassing performers removed by one means or another.

Lord Remnant was even adamant about the role of outside directors which has always seemed to me to be one of the weakest planks of the investment trusts' case. This view is based on the number of times the full-time managers dismiss constructive ideas on the grounds that the outside directors would never agree. However, one might wonder whether this is not just a convenient excuse for inaction.

In any case, Lord Remnant feels that it is "absolutely essential to have very strong outside directors" and indeed the T.R. group has 35 outsiders altogether. In his view the composition of an ideal investment trust board is that it should consist of representatives of the full-time managers, a "strong character" who is himself an investment expert, a skilled man in the world of finance (most likely a banker) and an industrialist who is not exposed to the "herd influence" one sees in the City. Apparently the main problem is how to reward such people whose average remuneration (£1,000-£2,000) has not kept pace with inflation. According to Lord Remnant, there is a shortage of outside directors of the right type.

Before applying for a round dozen of investment trust directorships, I should like to say that it still seems to be anachronistic to have phalanxes of outside directors in view of the fact that they are no longer the men who take the real decisions. This might have been the case a decade ago when trusts were frequently run on an "ad hoc" basis, but it no longer applies.

C.H.

Finance and the family

Assent and real property

BY OUR LEGAL STAFF

You advised me formerly on a form of assent in transferring a bungalow to myself in my mother's death. My neighbour, who is the sole executor and beneficiary under her late husband's will wished to undertake the same operation but was told by her bank that it was *not legal. Is it? If so,* does one have to register the transfer with the Land Registry?

We remain of the opinion that an assent as previously indicated to you is both permissible and the only proper method of vesting real property specifically devised by will in the devisee. This is confirmed by the precedent books: for example, Volume 8 of the Encyclopaedia of Forms and Precedents (4th Edition). Page 776. If the land is already registered land, the change in proprietorship should be registered at HM Land Registry: otherwise the assent need only be placed with the other title deeds (together with an office copy of the probate).

No provisions for residue

I am making a personal application for probate on a will which to all appearances is perfectly valid in that the prescribed procedure has been followed but there is no provision for the residue after the legacies have been paid. Is the will then valid and can I take out probate and pay the legacies? *If so, what do I do with the residue?*

From what you tell us the will appears to be valid, so that you can take out probate; and can and should pay the legacies. After discharge of all debts and expenses the residue undisposed of by the will devolves as on intestacy. You would therefore be bound to distribute the residue as if you were the administrator of an intestate estate, that is to the statutory next of kin. The failure to make provision for the distribution of the whole of the testator's estate is a not uncommon situation and in *no way detracts from the validity* of the will so far as it has made provision for distribution of part of the estate.

Liability to pay architect

***I met an architect socially and* asked him to call and discuss a small extension to my Dunbartonshire house, stating that *I was not willing to spend more* than £2,000. In view of the value of my house, he agreed this was a sensible limit, but submitted a plan and two quotations of £4,000 and £4,500. Can you advise what are my obligations to him as regards a fee?**

Clearly if the architect has acted contrary to his specific instructions and you have derived no benefit from his work you are under no liability to pay him. However, *your letter is unclear* as we are not certain whether your instructions were limited to the drawing of plans or extended to *putting the work out* for tender.

If the planned extension could be said to be work involving a *capital expenditure of a figure* more than you stated that you were prepared to commit yourself to, then all the architect's *work is* valueless and you need not recompense him.

If however, the plans drawn up by him were in accordance with your *instructions but the* estimates unreasonably high, then you will require to settle his account for the preparation of the *plans. Again if you in* fact utilised the plans in any extension work you will require to settle the account for actual drawing work involved.

Working for charity

What, please, is the tax position if I waive any payment to myself for *undertaking consultancy* work outside my regular work, but ask that a cheque be made out to a charity?

The problem is to ensure (a) that you are not merely giving away income which has become due to you, so that it remains taxable as your income, and (b) that the payer is not regarded as merely making a charitable donation, so that he gets no tax relief. The degree of sophistication of any arrangements to divert your potential *sparetime* earnings to charities must depend upon personal choice and upon the size of the potential tax bill.

We suggest you contact the Charities Aid Foundation (under the aegis of the National Council of Social Service) whose advertisements you have probably seen from time to time in the Financial Times. One of their *off-the-peg schemes* may meet your wishes.

Licensees or tenants

My wife and I and three children each own an equal share in a flat, occupied by the children and two flat-sharers in addition, notionally occupying our share. Two of the children now wish to leave. If we decide to sell the flat, are there any legal problems in giving the flat-sharers more than the usual month's notice?

If the "flat-sharers." were truly sharing and not paying any rent, they are licensees and can be required to leave on reasonable notice—three or four weeks would appear to be reasonable. *If*, however, they have been paying rent, or fixed sums which might be characterised as rent, the position may be different: they could have become tenants. It would be necessary to examine the system of payment for the outgoings on the flat, and for any other payments, in order to determine whether the occupiers of the flat are licensees or tenants. To avoid doubt it would be wise to give a full four weeks' notice so as to determine any contractual tenancy which might exist (although that will not affect the statutory right to security of tenure if there are indeed tenancies).

Option and a lease

I bought a 99 year lease on my house 5 years ago, with an agreement that the freeholder should have the first option to purchase the lease, if I resold, or on my death. I would like to buy the freehold in accordance with the terms of the Leasehold Reform Act. In defining the meaning of a long tenancy para 1 (a) of Section 3 of that Act states "provided that a tenancy granted so as to become terminable by notice after death is not to be treated as a long tenancy." As my lease is not terminable by death is it a long tenancy? If so and I claim my right to purchase the freehold, is the agreement null and void?

Section 3 of the Leasehold Reform Act 1967 is concerned with tenancies granted so as *to become* terminable by notice after death. As the option to which you refer appears to be collateral to the lease Section 3 would not apply, and the general provisions of the Act can operate. If however the option is contained in the lease itself it would be necessary to construe its terms, and you would be wise to consult a solicitor. If you are entitled to purchase the freehold the option is not void, but it will lapse on completion of your purchase of the reversion.

Charge not implied

Some repairs were done to a washing machine when neither my wife and myself were at home. On an invoice received subsequently it was stated that the terms of business were cash on completion and an extra £1 plus VAT was charged because this payment was not made. The firm claims that the charge is for extra accountancy work required to obtain the money, and that such a charge is not unusual in the industry. However, I knew nothing of this when I gave the order for the job to be done. Do you consider I am right to refuse to pay this extra sum?

On the information which you *give there is no evidence of the* inclusion in the contract for the servicing of the dishwashing machine of a charge for invoicing. *Such a charge is not normally* to be implied in a contract for the supply of goods and or services. We therefore think that you are *right to refuse to pay it.*

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Insurance

Tenancies

BY JOHN PHILIP

MANY OF US are landlords or tenants, if not of domestic houses and flats, certainly of business premises and there is a substantial volume of law, both statute and judicial decision, controlling the detailed relationship of landlord and tenant. But though there is a broad similarity between many of the leases that exist all over the country, there is no basic standard form of wording to provide a framework, nor any standard clauses dealing with particular obligations to fill out the framework of the ordinary lease. So, for example, the precise terms of the insurance clause in half a dozen leases can be as dissimilar as the individual members of the litter of mongrel puppies.

Quite a lot depends on the skill and experience of the solicitors concerned, and the precedents they use. *Much also* can depend on the status and the relative bargaining power of the parties—for example the *property owning company will* probably have well established views on how insurance should be arranged and have available *well tried clauses which it* normally reckons on using. Another factor can be occupancy —where a building has a number *of different policies:* but where there is a single occupant the landlord may well find it convenient to impose the duty *of insuring on his tenant.* The scope of the cover required may range from a simple fire policy through to the most comprehensive range of commercial perils, or in the domestic sphere, to the latest and widest form of home insurance. Often, but not always, the landlord will stipulate that the insurance must be placed not with any insurer but only with one approved by him.

So the insurance clause in a lease is not something to skip over lightly, whether one is a landlord or a tenant. A clear understanding of its obligations coupled with the regular scrutiny of the insurance documents is essential for both parties. And if you think I am over moralising, consider the facts giving rise to the legal *dispute in Argy Trading Co. v.* Lapid Developments decided by Mr. Justice Croom-Johnson.

Argy was the tenant, Lapid the landlord. Under a six-year lease for wharves and warehouses, Argy agreed to keep the premises insured for their full value and for two year's rent, against loss or damage by fire: Lapid was to choose the insurers but Argy was to pay the premium. It was agreed that in the event of damage or destruction Argy would use the insurance *money for the purpose of* value and for two years' rent, should be payable to Lapid if the premises became unfit *for occupation, until they* were reinstated.

Despite these clear terms, because at the commencement of the lease in 1971 Lapid already had insurance, the insurance arrangements were left as they were and Argy paid their proportion of the premium. In January 1972, at renewal, Lapid renewed the cover for a full year but never asked Argy for any premium: following a takeover of Lapid in 1972 the decision was taken not to renew Lapid's insurance in January 1973, since there was no obligation in the insurance clause in the lease, so to do. But Lapid did not tell Argy that the cover had been allowed to lapse nor were any steps taken to get Argy to arrange cover in compliance with the insurance clause in the lease. And in October 1973 disaster occurred —a severe fire occurred and the premises were gutted.

The precise details of the subsequent dispute need not concern us: it is sufficient I think to note that despite a clearly drawn insurance clause, the parties to the lease, by not acting in accordance with its terms, and by not ensuring that there was a policy in being were uninsured when the fire happened.

It is quite obvious that both parties could have done with more insurance advice than they in fact enjoyed: for example despite their agreement that the insurance money was to be used in reinstatement, the landlords had, until they allowed it to lapse, only a policy *providing indemnity as distinct* from reinstatement. If the insurance had been in force at the time of the fire there would not have been enough money to pay more than a percentage of the work of reconstruction, for the insurance had been for some £70,000 while the total cost of reinstatement was estimated to be in the region of £480,000.

On the evidence the judge decided that the variations in the insurance clause which had been put into practice by the parties did not impose any obligation on the landlord Lapid, either to continue to arrange cover at each renewal or to notify the decision to allow the cover to lapse. This you may feel to be harsh, but as the judge said, Argy ought to have checked the continuing existence of the insurance at the 1973 renewal, and he made *this general comment* "a reasonable man checks his insurances from time to time, at least annually."

The facts of Argy v. Lapid provide both for landlords and tenants a good example of how *not to go about the very necessary task of arranging insurance*, for although the lease was one of commercial premises the whole *sequence of events* could have happened *just* as easily in the domestic sphere. So while the warning lights of this sorry tale are still flashing, all of you who are landlords and tenants should have a look at the insurance clauses in your leases and check on the existence, nature and scope of the policies that have been arranged: this week-end if you can dot it at home but on Monday morning at the latest in your office or factory, lest you be insufficiently insured or completely uninsured if fire occurs.

Taxation

The company car

"THE LAST thing I want to have is a BMW 3.0 CSI in a congested city like London, but *the Chairman insists I use it for* business to show our clients that we are being successful. Left to my own devices. I would *far rather have a smaller, more* parkable car."

Ever since 1948, when Hugh Dalton originally brought in the expenses and benefits legislation affecting directors and higher paid executives, this argument to ward off a tax assessment based on the cost incurred by one's employer in providing a car (rather than on what the individual's pocket has been saved if he had one of his own choosing, has cut little ice with the Revenue. Now, under the new system for taxing company cars which comes in from April 1977 there will be even less room for manoeuvre.

Under the present system where a straight apportionment between private and business mileage is required, it is invariably a *matter of intelligent* guesswork (sometimes based on figures on a month's test period) as to the split. Arguments such as "*I had a second car at home* for personal use and I frequently visited a client either on the way *to the office or on* returning home at night," enabled a taxpayer to claim a low private mileage and so pay tax on something less than the true benefit of the car. Now all this will disappear, and provided the taxpayer can show that his business use is not "insubstantial", he will pay tax on a fixed scale charge. These are set out in the tables.

Those who cannot show a *substantial business use and* others such as sales representatives, who cover at least 25,000 miles a year on business, will be *taxed on a different basis*— the former category paying tax on a higher amount than the scale charge and the latter on *half the appropriate amount of* the scale charge.

The question that everyone is asking is "What is insubstantial?" *As a point of law, this* may have to be decided by the courts, but it is generally thought that the Revenue will give an *official ruling* (as they did when they fixed the "annual value of the use" for the existing system as 12½ per cent of the car when new).

The normal business user has to look at Table A, B or C to find out the sum on which he will be assessed. Tables A and B apply to cars with an "original market value" up to £6,000—Table A, for cars with a cylinder capacity; Table B for those without, while Table C covers all cars with an "original market value" exceeding £6,000. "Original market value" is specially defined as the price (including Customs and Excise Duty and VAT) which the car "might reasonably have been expected to fetch if sold in the United Kingdom singly in a retail sale in the open market immediately before the date of its first registration." This may be because of trade discounts, etc., a very different amount than that actually paid by the company, and many directors may find themselves unexpectedly *taxed under* Table C and not Table A.

A feature of the Act is that the amounts in the tables can *be changed by Treasury Order* to take effect from the start of any year of assessment from 1978-79. Such an order will be *made by statutory instrument* (a procedure more familiar to the Customs and Excise Authorities in changing VAT laws than to the *Inland Revenue*) and it is felt to be objectionable because the change is not subject to full Parliamentary *debate.*

There is provision in the Act for the appropriate scale charge to be reduced where the car is *not available for the whole of* the year of assessment, for example, because it was only provided for part of the year or was off the road for repairs for more than 30 days, and secondly for payments made to the employer in reimbursement of the cost applicable to private use.

Where the provision of a car is predominantly a perk, and business mileage is nil or insubstantial, the existing basis of assessment will continue to apply but with one major change usually to the taxpayers disadvantage. This is in the calculation of the annual value of the use of the car which is to be taken as either 20 per cent. of its original market value, or, in the case of a vehicle which at the end of the year assessment is more than four years old, to be 10 per cent. of its original market value. The previous practice of the Revenue *is* to take 12½ per cent. of the cost of the car when new. To the 20 per cent. (or 10 per cent.) of the original market value, must be added any *running costs incurred by the employer,* for example, road tax, insurance, repairs and maintenance, and from this total figure the *tax-payer is entitled to deduct any* cash contribution he makes to his employer plus a proportion for business use, if any.

When the Finance Bill appeared, there was some doubt whether the scale charges in Tables A, B and C were *deemed to be inclusive of all* running costs. This arose because the Inland Revenue's Press release stated that the charges had been based on an appropriate proportion of the standing charges (depreciation, interest on capital, motor tax and insurance) and of the running costs (*except petrol and oil*) as published by the Automobile Association. I am able to confirm that for the "substantial" business user, the scale charge is deemed to cover all expenses incurred by the employer (except the pay of a private chauffeur), although in an extreme case where there was a large measure of private use paid for entirely by the employer, it might be open to the Revenue to claim a second bite of tax under the old Schedule E rules.

There is a further (fourth) category of tax-payer who enjoys the use of a car from a pool and yet another (fifth) category (a rare, if not extinct, subject) who are excluded from the *new provisions*. The last mentioned is a director who works full-time for his company at a salary (including expenses *and benefits) of less than £5,000* a year and who does not have a material interest (5 per cent. or more) in his employing company. Before an enterprising employer thinks of making the chairman's Rolls-Royce equally available to the lowest paid manager entitled to a company car. I must warn that there are onerous conditions attaching to a pool car.

Any ideas employers have of offering tax-free benefits through the "pool" car exception seem misplaced.

There is little doubt the Government's purpose in introducing this new scheme was to rationalise and simplify a time-consuming area of tax administration. One cannot help wondering how far they will succeed, bearing in mind that the taxable benefit can be determined only after the tax-payer has demonstrated that his business use is not "insubstantial." Worse still, it seems that the Inland Revenue do not propose to publish an official ruling *on what is "insubstantial"*— at least not until the courts have considered the point. And what evidence will a tax-payer have to produce to prove *his* case? It seems that all business drivers would be wise to keep an exact record of their business mileage for, say, a test period of one month (it must be a representative month) in case the Revenue require supporting evidence after the year end of a claim to be taxed in accordance with the Tables in Schedule 7.

JOHN STADDON

A. CARS WITH ORIGINAL MARKET VALUE UP TO £6,000

Cylinder capacity of car in cubic centimetres	Age of car: Under 4 years	Age of car: 4 years or more
1,300 or less	£175	£120
More than 1,300, but not more than 1,800	£225	£150
More than 1,800	£350	£235

B. CARS WITH ORIGINAL MARKET VALUE UP TO £6,000

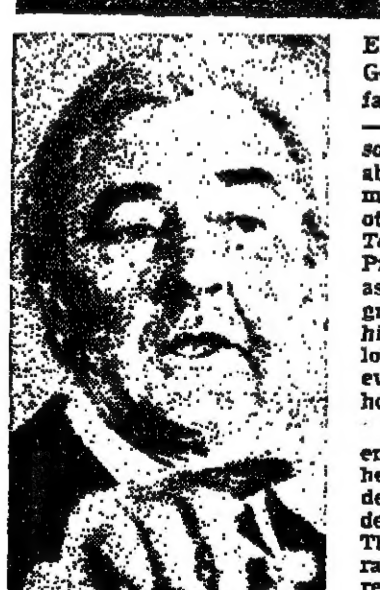
Original market value of car	Age of car: Under 4 years	Age of car: 4 years or more
Less than £2,000	£175	£120
£2,000 or more, but less than £3,000	£225	£150
£3,000 or more, but not more than £6,000	£350	£235

C. CARS WITH ORIGINAL MARKET VALUE MORE THAN £6,000

Original market value of car	Age of car: Under 4 years	Age of car: 4 years or more
More than £6,000, but not more than £10,000	£500	£335
More than £10,000	£800	£535

U.S. election

A lonely life for the third man



Eugene McCarthy

EIGHT YEARS AGO, "Clean Gene" McCarthy was a major factor in American political life —Liberal Senator from Minnesota, *poet, mystic,* wit, and, above all, hero of the anti-war movement and a man capable of bringing down presidents. *To-day he is still running* for President, not as a democrat but as an independent, his hair even greyer, his wit even sharper, *his legions* of young people no longer with him, as quixotic as ever and, cynics do say, as hopeless as ever.

But his power may not be entirely dissipated, for though he can no longer destroy presidents he may still be able to deny someone the White House. The argument is simple: if the race between Ford and Carter really tightens up, then it is just conceivable that the support that McCarthy will attract, particularly in the northern tier of progressive states stretching from Massachusetts to Oregon, will eat into Jimmy Carter's constituency and cause him to lose some crucial states to Mr. Ford. One or two polls have suggested that McCarthy could get as much as 10 per cent. in some states: he will probably get nothing like as much, but you never know.

He is asked whether this concerns him just about every time he speaks: after all, he was a democrat and remains a liberal: but his response is invariably "I wouln't lose one minute's sleep over the difference between Jimmy Carter and Gerald Ford." For the McCarthy thesis is that there is neither historical nor empirical evidence to support the case that America was to be run on a two-party system and that since the two major parties no longer address themselves to the real needs of the people it is about time a third (or fourth or fifth) party did.

It is not easy, as McCarthy has found out, to run an independent candidacy. He was not not allowed to take part in the televised debates and he has experienced much difficulty in getting on the ballot in all the States. The law, he maintains, protects the two main parties. Most of his efforts this year have been concentrated in the courts, challenging State statutes that keep his name off the ballot. To date he is winning this battle: as of now, his name will appear in some 30 States next to those of Ford and Carter and by election time he hopes to be running in as many as 45.

The confusion *even affects* running mates. Morrison Hansborough is not the best-known vice-Presidential candidate. A tall black man with a penchant for good jazz and big cigars, he is retired now after years as a barber on Capitol Hill. But here he is with McCarthy, if only a stand-in running mate, and only in the District of Columbia at that.

"Think about it," says the man who is running for President. "Can you imagine Gerald Ford and Jimmy Carter trusting their vice-Presidents with a razor next to their throats?"

At present Eugene McCarthy has somewhere in the region of 40 running mates State by State across the country, and this, perhaps more than anything else, shows how 1976 differs from 1968.

He draws few crowds these days, he travels round the country, without secret service protection and with no retinue to speak of, addressing any group, no matter how small, that will hear him. Mostly he talks of his legal battles, applying the same biting (some have said warped) logic that was always his trademark and impartially criticising republicans and democrats alike, the Press and the establishment in general.

There is a McCarthy programme, the essence of which *is* that America wastes \$200bn. a year, half of it on building big cars, \$25-\$30bn. on unnecessary defence spending and so on, and that the country had better start thinking in terms of a sensible allocation of its very finite resources. But somehow *he rarely seems to get round to* this.

His most effective weapon remains his wit, which, because it is based on irony, sometimes appears arrogant. At its best it is very good. Having failed to get on the TV debates with Ford and Carter, he muses now that he will petition for equal time— an hour long programme just for himself, 45 minutes to talk to the American people and 15 minutes of total silence.

JUREK MARTIN

Tourism

Tariff barrier

OPTIMISTS who reckon that the tourists will flow in as a result *of the falling value of sterling* may be reckoning without the tariff policy of the British hotel industry. On recent form the prices charged *for some accommodation in London* are rising faster not only than inflation, but also faster than the pound *has been falling*—and you have to be pretty quick to beat that.

The most recent report of consultants Greene, Bertram, Smith and Co. suggests that the price rises in London hotels over the past year have been the greatest in Europe at 38 per cent. for single rooms and 35 per cent. for double rooms. Even in dollar terms, a first-class double room with bath costs more in *1976 than in 1975, an indication* of both rising costs and considerably increasing demand. In dollar terms (in July) London was still more expensive than Brussels, Rome, Amsterdam or Munich, but it still has a long way to go to reach the levels of Geneva or Paris.

Many London hotels have virtually written off the home market. The British simply cannot afford the £25 a night upwards that a double room in the May*fair/Knightsbridge* area cost. As far as Americans are concerned, this summer London and Madrid are the only cities in Europe where, *in* their money, hotel prices have fallen.

AVERAGE INCREASES IN HOTEL RATES (Double room with bath)

City	% rise (local currency)
London	35.5
Madrid	21.9
Dublin	14.7
Stockholm	12.0
Paris	12.0
Brussels	9.6
Amsterdam	9.4
Oslo	5.5
Munich	2.5
Copenhagen	1.8
Geneva	0.0

Source: Greene, Betram, Smith & (01-405

ARTHUR SANDL

هكذا من الأصل

Motoring

Frugal diesel

BY STUART MARSHALL

IF YOU have been stuck behind a badly maintained, smoke-belching truck on a hill recently, you know diesel engines can be noisy, smelly and anti-social. But there is another side to the coin. Hundreds of thousands of European long distance motorists have found that diesel cars can slash fuel bills spectacularly.

But what are they like to drive? I would guess that fewer than one British motorist in 100 has even driven a diesel car, even though Mercedes, Opel and Peugeot diesels have sold here in small numbers for the last couple of years.

On mainland Europe, where petrol has become so expensive as to make our own look cheap, the diesel is forging ahead. Citroen and Volkswagen have been the latest to jump on the diesel bandwagon. The Citroen CX 2200D has been available here for a few weeks; the Mercedes 300D, a posh five-cylinder, has just arrived; and the Volkswagen Golf diesel will reach Britain in the new year.

In the last fortnight I have driven all three—the Citroen here, the Mercedes in Germany and the VW Golf in Sweden. Though all totally different kinds of car, they had one thing in common. They proved that, despite some limitations, the diesel is a real, and in some ways attractive, alternative to the petrol engine in cars.

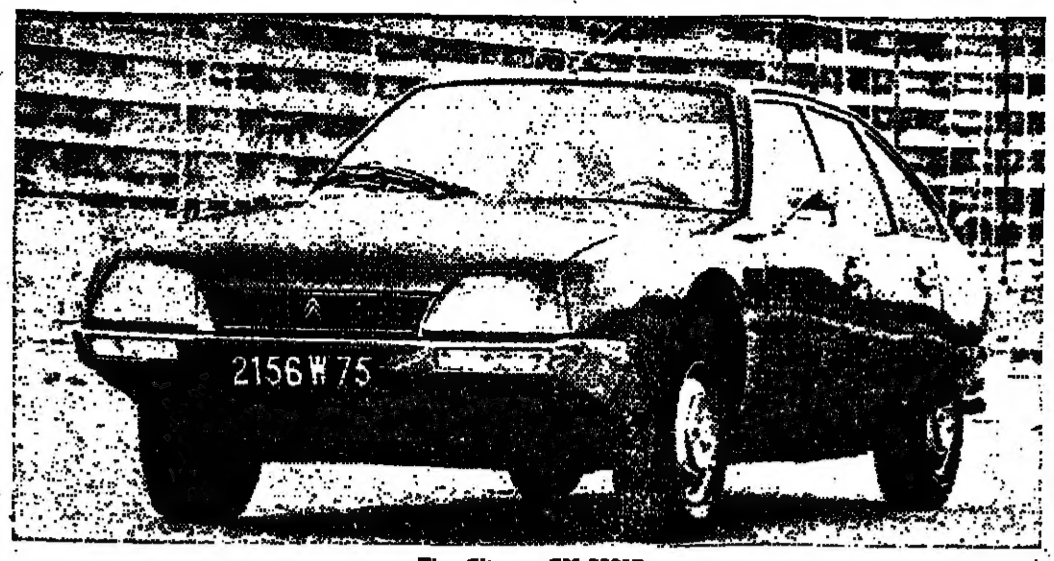
Even though the relative benefits of diesel v. petrol power can be changed overnight by a stroke of the Chancellor's pen, the diesel must always have an economy edge because it burns its fuel much more efficiently. Apart from giving up to 30 per cent. lower consumption in the country and up to 50 per cent. in traffic, the diesel's clean exhaust meets even Californian emission standards without difficulty. Which is one reason why the 300D is now the best-selling Mercedes in the U.S., and also why VW hope the diesel Golf will restore their wilting sales there, too.

The Citroen CX 2200D is one of the largest and arguably one of the best estate cars in the world. You sit up the tailgate, fold down the rear seat and the slab-sided load space looks like a village hall cleared for the cricket club hop. Its hydro-pneumatic, self-levelling suspension tramples bad roads underfoot and the Safari rides, full or empty, like an ocean liner cutting through a gentle swell. There is bountiful head, leg, and elbow room for five people.

The diesel engine, developed from one used in a light truck, rattles loudly when you start it up and, from the outside, the CX 2200D would never be mistaken for a petrol-engined car. But from the inside—and surely this is what matters—the diesel Safari sounds little different at cruising speeds and the engine can hardly be heard as it lopes along at 81 mph, the French autoroute speed limit.

On a mixed bag of town and country, including motorway driving, I got just over 36 mpg from this streamlined pantechnicon.

The main snag with the diesel Safari, which costs £4,514, with power steering, is leisurely acceleration and some transmission roughness. However careful I was, I couldn't avoid the odd jerk when changing gear.



The Citroen GX 2200D

The 300D Mercedes is one of the new compact models which look rather like the "S" types at a quick glance but are considerably smaller. Even so, they are still roomy five-seaters with big boots. As one would expect of a Mercedes engine developed specifically for an up-market passenger car, its five-cylinder diesel is as different from a pounding, heavy lorry engine as a bottle of Chateau Latour is from plonk.

At its 88 mph maximum, the 300D automatic on the autobahn was so quiet one literally did not know it was a diesel. Mercedes use a four-speed automatic with smooth, lighting changes, and in third the 300D does a useful 64.5 mph for overtaking. The biggest Mercedes diesel is about ten per cent. slower than the smallest Mercedes petrol car, the 200, and its average fuel consumption (around 31 mpg) is about 15 per cent. lower. The 300D automatic costs £7,600 compared with £4,949 for the petrol 200, so it is strictly for the executive who wears his conservationist - cum - environmentalist heart on his sleeve.

Most interesting, and potentially the most significant of the new diesels, is the Volkswagen Golf. Its 1.5 litre engine, unlike the others, is a straight development of the petrol engine and uses the same cylinder block, crankshaft and camshaft. Output is 50 horsepower at, for a diesel, the high speed of 5,000 revolutions per minute and the performance is identical with that of the 1100 cc petrol Golf.

It gets up to 60 mph in about 18 seconds, which is marginally less time than the Mercedes 300D takes, and its maximum is little slower than the Mercedes at 87 mph. The diesel Golf feels like a petrol car to drive. The engine spins willingly up to high revolutions, the only difference being that it has a deep purr like a lion cub's instead of a tabby cat's. It clatters when started from cold, though not too badly, because you turn a knob to change the injection timing for the first few hundred yards to reduce the noise.

Other than its diesel, which gave me a consumption of 45 mpg (the worst) but others up to 55 mpg on a half-day's run on dirt roads and highways, it felt just like any other Golf. It rides buoyantly, rolls a little on corners, handles confidently and has plenty of space for four, or five at a pinch.

Volkswagen are talking of a price £350 higher than the equivalent petrol Golf, though with the pound sinking the way it is, forecasting is difficult. By the time the five-door Golf GLD (the model I drove in Sweden) arrives here in the new year, it could be about £3,300. Servicing costs will be about the same as the petrol car though the engine should last twice as long. And if the diesel clatter worries you when you start up in the morning, think of the way Volkswagen describe it. It is, they say, the sound of economy. At 55 mpg for a lively five-seater, I'll drink to that.

Golf

The multinational

BY BEN WRIGHT

AFTER THREE rounds of the Dunlop Masters at Saint Pierre, Chepstow, the tournament is being led by an Italian, two Americans, a South African, an Australian and a Burmese.

The Italian is Baldovino Dassu who is four shots ahead of one of the Americans, Hubert Green, and five shots ahead of the South African, Dale Hayes.

Dassu returned a 68 yesterday for an 11 under par total which has set him clear from most of his pursuers. After his round he claimed that he had not felt any pressure, despite the fact that he has never before achieved three successive good rounds. He said: "If I can keep my four shot lead for nine holes in the last round then maybe I'll win."

Dassu survived some shaky golf over the opening holes. He missed the greens of the 4th, 6th and 7th holes but each time got away with a par. His first birdie came at the 8th when he holed from eight feet and there were to be only two more deviations from par. At the 12th he hit a sand iron third to three feet for a birdie and at the 17th he holed from 15 feet. The man who is chasing him hardest, Hubert Green, had seven birdies and one bogey in his course record 65. He also had seven single putts and gave most of the credit to his caddy, Shayne Grier.

Grier is rather more than just a caddy. He has a degree in economics and Green said of him: "He has more brains than I have—*but I'm on the right* side of the bag."

Of all Green's putts there were two that were vital. At the 17th he holed from 20 feet for a birdie three and then at the 18th, having bunkered his tee shot and recovered to 12 feet, he holed for a par.

Hayes was not optimistic about catching Dassu. He said: "He'll have to play badly and I'll have to shoot a 67 or so to catch him. But the way I'm driving at the moment there's little chance of that."

Graham Marsh is six shots behind Dassu, Eddie Pearce is seven, and Mya Aye is eight shots behind.

Only then do we run into the first Britons. Tony Jacklin, Eamon Darcy and Tommy Horton in company with the Spaniard Antonio Garrido are all two under par and nine shots behind the leader.

Last year Henry Cotton was unable to award his Rookie of the Year prize for the sufficient reason that there was no one good enough to receive it.

This year, after the Open Championship, there was only one contender, and Mark James made the message even clearer when he finished second in the Benson and Hedges last week. He has won over £14,000 so far in a little over six months.

James is a shy, withdrawn, young man who appears to despise all but the perfect golf shot—and even that is only barely acceptable. But, to be fair, he has achieved all the standards he set himself. When he turned professional he said that he was not over-impressed *with the quality of British* professional golf, and that he hoped to be in the 1977 Ryder Cup team.

In 1963 a 19-year-old called Tony Jacklin was made Rookie of the Year, six years later he won the Open Championships of both Great Britain and the United States and since then has been in comparative decline.

Yesterday he put together a third round 68 and afterwards talked about his swing problem.

"I really believe that at the start of every season you should do what Jack Nicklaus does and go right back to the basics, and check everything. For instance, John Jacobs told me two weeks ago that my grip, of all things, was far too strong and since then I've been trying to play with a weaker left hand. Half way round to-day I wanted to change it and go back to the old, comfortable grip, but I persevered and it started to come right.

"I've also looked at some old films of when I was putting well and the one consistent thing I did then was to achieve a flowing follow-through. But with the back swing I've been using lately on the greens I'd have to be a contortionist to follow through like I used."

But, in one of his old-style purple patches, Jacklin birdied four consecutive holes, hitting a 2 iron to 20 feet at the short 13th, a drive and 3 wood on to the green of the long 14th, and nearly driving the green of the 306-yard 15th. A drive and 7 iron gave him an 18-footer at the 16th and he almost made it five on the trot when he left a *15-footer inches short, dead* centre, at the 17th.

Eventing

Midland course

HORSE TRIALS enthusiasts from all parts of the country will be making their walk this week-end to the Earl of March's home at Goodwood, Sussex, for the annual Horse Trials Championships of Great Britain, sponsored by the Midland Bank. Over 160 horses have been entered for this event, each having qualified over the past year in one of more than 70 individual British Horse Society national trials (also sponsored by the Midland Bank group) or in a handful of international trials.

The entries are divided into two classes—with over 80 in the Novice, for the Gold Griffin Trophy and about the same number in the Open class, for more advanced horses, for the Golden Griffin Plate. In all, more than £1,700 in cash prizes will be available. The championships will cover three phases—dressage, which the bulk of the entries in both classes will complete to-day, and a stiff cross-country course and final show-jumping which they will undertake tomorrow.

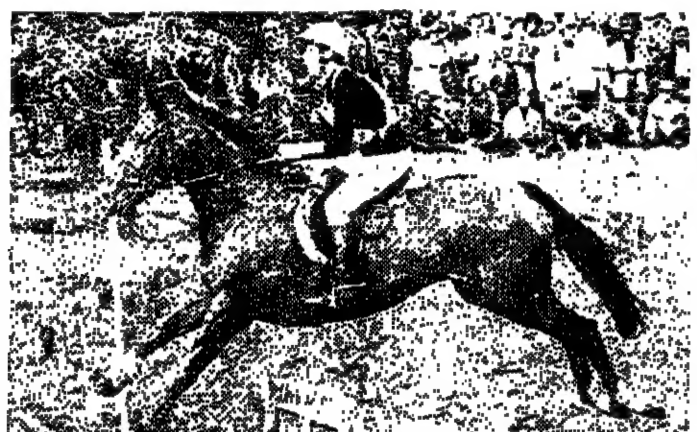
A number of riders have entered more than one horse, using the championships both to bring on younger horses, and to try to win honours with more advanced mounts. In the Open class, Mrs. J. Holderness-Roddam, who won this year's Burghley trials recently with Warrior, has entered with this horse, and also with Tranjoy and Devil's Jump. The reigning European three-day event champion, and winner of this year's Badminton trials, Lucinda Prior-Palmer, has entered Village Gossip in the Open and Rock Island in the Novice, while Chris Collins has entered Centurian and Smokey VI in the Open and Skydiver III in the Novice.

Captain Mark Phillips has entered both Persian Holiday in the Open and Cassette in the Novice. Many other well-known names are in the Open list, including Andy Brake, with Bampton Fair, who won last week-end's Wylye trials; Michael Tuckel with Felday Checkpoint; Diana Thorne, on The Kingmaker; last year's Open winner, Charles Lane, with Sir Benfro; while Princess Anne has entered Mardi Gras.

While to-day's dressage phase, designed to test the horses' suppleness and obedience, will offer a feast of pure equestrianism, to-morrow's cross-country phase is likely as usual to prove the most spectacular aspect of the championships. Although the courses for both classes are largely based upon last year's designs (the championships having been held at Goodwood since 1974) considerable improvements have been made this year, including the addition of heavier timber in many of the obstacles. Major John Anderson, the course-builder, has tried to achieve as naturalistic courses as possible, with the minimum of artificial obstacles.

In the Open, the course is two and a-half miles long, with some new fences, including a right-angled corner fence called the Primrose Puzzle that can be jumped in any one of three ways. New and solid-wall fences have been built for both courses, and the water ditches in both cases are now bigger, with brush fences with the maximum spread in front of them, while the Sunken Road is one of the most formidable obstacles on the Open course. Despite the recent heavy rain, the going is reported to be good across the Goodwood parkland.

MICHAEL DONNE



Jane Holderness-Roddam

Fishing

ENGLAND WILL be endeavouring to trade a silver medal for a gold to-morrow in a sport almost as traditional as cricket and "played" more than soccer. The World Angling Championships are being staged in Eastern Europe for the second successive year. Last year in Poland, England were second in the team match and Ian Heaps of Stockport collected the individual gold in his first world match.

This year the venue is the Tzonevo reservoir in Bulgaria, where the quarry is likely to include bleak, roach, chub, barbel *and catfish. Roach and chub* featured heavily in the catches on the Trent last Saturday, when Birmingham AA decisively won the National championship. Three of that successful team are in the England squad of five—including bronze medallist Ken Giles.

Manager Stan Smith made a special trip to Bulgaria to study the water before selecting his team. This is Ivan Marks of Leicester, Kevin Ashurst, Ken Giles and Tony Scott of Birmingham, and Ian Heaps. The travelling reserve is Mark Downes of Crofton Hackett.

All have been over there this week getting to know the water. The reservoir is 18 km. long and between 800m. and 1,200m. wide. The depth averages around 15m. but is 40m. in places. If weather conditions run true to local form, the temperature will be about 70 degrees F and conditions will be humid.

Maggot — the perennial choice of most English coarse anglers — appears to be the best bait, and the team seems to be in peak form.

To-morrow there are two separate matches — the team championship in the morning and the individual event in the afternoon.

If the spirit of Izaac Walton can tear himself away from his beloved English rivers, perhaps the Compleat Angler can keep a benevolent eye on England—because for all the skill in the hands at one end of the rod, it is luck with the fish at the other that can *bring home the gold.*

PETER DENNIS

More magazine pages

Arthur Hellyer discusses the ways of keeping cacti happy, Brian Ager looks at the Hunt/Lauda Grand Prix rivalry, the travel section looks at St. Lucia, and the Chess and Bridge columns pose new problems on Page 20 and 21.

Tape

Cassette tangle

LAST YEAR the British public bought 17m. pre-recorded musicassettes, an indication of the way in which tape has bitten into the traditional record market as a source of home entertainment. It is thought that a further 25m. blank cassettes were bought, and used mainly to record music from radio and borrowed discs — a practice which is in theory illegal but in fact impossible to prevent.

However, the boom in the tape market is not producing universal smiles. As the tape makers struggle to push their standards to the limit, so the need to match tape with machine is increasing. A mis-match of tape and equipment can produce *anything but the best sound. But,* as yet, there is no simple way for the consumer to find out what is best for his own use. The result is that hi-fi enthusiasts are paying perhaps hundreds of pounds for tape decks and are left then to the mercy of tape-makers' advertising campaigns. The in-fighting in those campaigns has now grown so fierce that the lawyers have been called in.

The history of the compact cassette is remarkably short. The first ever cassette recorder was launched in Europe by Philips Electrical in October, 1963, and in the U.K. in February, 1964. These original recorders were intended primarily as a business aid; but before long audio enthusiasts found that the Philips cassette, containing tape only half the width of normal domestic recording tape and running at one-quarter the speed until then considered necessary for fidelity reproduction of music, could in fact produce acceptable recordings of music.

As machine mechanics improved and noise reduction systems (such as that invented by Dr. Ray Dolby) minimised the hiss generated by the narrow, slow running tape, the cassette became accepted as a hi-fi stereo medium.

The main advance over recent years has been in the type of tape used in the cassette. Originally recording tape relied always on a simple magnetic iron oxide coating on a thin plastics backing. Subsequently it was found that other forms of oxide, for instance based on the metal chrome, could produce improved results. As a result there are now on the market several alternative basic tape types—ferric oxide (iron); chromium dioxide (chrome); dual-layer tape (ferric and chrome together); and various chemically modified iron oxides. These basic types vary considerably in price (iron usually being the cheapest) and most important, require quite different electronic circuit settings to produce optimum results.

Although most chrome tapes have generally similar characteristics (because Du Pont is the major common supplier), there is now a quite bewildering range of different tapes that all fall under the general heading "ferric" or "iron."

The tape manufacturers have striven to produce finer iron oxide particles to reduce hiss, greater magnetic efficiency to soak up more recorded signal and better capability of retaining a high level recording. Because such characteristics are often mutually contradictory, every new tape represents a slightly different compromise. To produce optimum results from any given compromise, the machine electronics must be correctly matched to that compromise.

Without doubt many top quality machines currently being used with excellent tape are producing sub-standard results, simply because the tape is mis-matched to the machine.

There are three possible ways out of this problem.

Machine manufacturers can provide a series of knobs for the user to twiddle for matching the machine to the tape in use. This is already happening, but defeats the object of the cassette as a convenience medium. Alternatively the machine manufacturers can specify the tape type for which their machines are factory-set. But a surprising number of machine distributors in the U.K. have so far had no idea of the tape type to which their equipment is ideally suited.

The final possibility is for all tape to be coded with a numerical, or alphabetical rating, similar to that now used for photographic film stock, and for future machines to be provided with simple dial-set controls similar to those found on a camera with an automatic exposure control. There are signs that a movement to lobby for a film-style coding system is gaining momentum in the audio and hi-fi field. But to succeed it will first be necessary to overcome the inertia of machine and tape manufacturers, many of whom are self-evidently ignorant of the problem's significance, uninterested in finding a solution, or committed by commercial rather than technical reasons to plugging a particular tape machine combination.

Until some order comes out of the current chaos, enthusiasts can only pester the manufacturer or distributor of the machines they purchase for a clear indication of the tape types to which the machines are optimally suited.

ADRIAN HOPE

Paperbacks

The lure of second childhood

THE OLDER one gets the harder it becomes to put childish things behind one. *The Magic Moving Picture Book* (Constable £1.25) is a case in point. It lurked at the bottom of a pile of tomes for review in my office on Byron, Baudelaire, Matthew Arnold *et al.* I pulled it out and work on those worthies ground to a halt. It was published originally by Bliss, Sands and Co., London in 1898 as *The Motograph Moving Picture Book* and has been reprinted unabridged by Dover Publications Inc. of New York whose books are distributed in the U.K. by Constable.

Clearly Dover goes in for do-it-yourself nostalgic paperbacks in a big way, both reprints and original titles. Some of the new ones currently on offer are *Rockwell Kent Greeting Card Book* edited by Theodore Menten, consisting of 16 cards to make oneself with envelopes (£1.40), *House Plants Coloring Book* by Stefen Bernath (£1.15) and *Chinese Cut-Paper Designs* with 269 illustrations (£1.95). All great fun but not as much as the *MMPB.*

This contains 18 steel engravings of things like a water-mill, a traction engine, a volcano, a serpentine dancer and a house on fire, plus a transparent acetate sheet tipped into the cover. You take this out and slide it slowly over the plates and — behold — wheels turn, smoke billows, waves rise and fall, the dancer serpents. It really does work; in the words of the original preface: "This extraordinary invention, like many of the greatest discoveries of modern times, is simplicity itself, but from its first inception it has been vastly improved—the inventor having spent just upon two years in bringing his discovery to a sufficient state of perfection to place it before the public."

Some of the pictures are of abstract shapes which when activated by the acetate look just like paintings by Bridget Riley on a clear day. It put me in mind pleasantly of the "flicker" books of my own pre-war pre-tv childhood. An effort was made by Alecto a few years ago to revive these with contemporary artists drawing the pictures to flick, people like Liliane Lijn, Derek Boshier, Eduard Paolozzi.

They were in black and white about the size of a packet of book-matches. Some artists chose abstract shapes, spheres bouncing off cubes, and others human figures such as a man blowing a cloud of smoke. The most effective was by Patrick Proktor of a chap taking a shower-bath. I don't think they caught on though because I noticed the whole lot reduced to 5p each a while ago in Reeves.

It was perhaps too self-consciously "arty" an attempt to reproduce something which in its day was simple, spontaneous and charming. But is there anything left which is simple, spontaneous and charming? A poster nowadays, like say that by Tom Phillips for the National Theatre, is already a collector's item on sale as such in the foyer before its life-span as a poster has hardly begun. I could not imagine anyone being motivated to go to the National through having seen that poster: the National should have gone to school with London Transport whose admirable tradition of self-advertisement is contained in *London Transport Posters* edited by Michael F. Levey (Phaidon/London Transport £3.50) with work by McKnight Kauffer, Sutherland, Laura Knight, in the early days, through to Walter Spradbery and Eric Kennington in the blitz period, and more recently Hans Unger, David Gentleman.

An uncompromisingly high level of functional elegance aimed at popularising leisure travel was established here from the start and sustained. It contrasts with the troughs of pictorial taste to be found in the illustrated calendar. Mark Gabor has put together a retrospective paperback of these annual horrors in *Art of the Calendar* (Hodder and Stoughton £4.15), drawing heavily on the archive of the American firm Brown and Bigelow of St. Paul Minnesota, and displaying the doggy, the Boy Scout, the pioneer, the family fun, and last but not least the Pirelli porn. The different styles involved are legion with only one thing in common that they are what people actually like living with in their work-rooms and offices.

Another popular form of art which has retained its hold over the years is that of the seaside postcard enshrining those fat ladies with their balloonlike breasts disporting themselves on the beach with crushed red-nosed little husbands in tow. George Orwell had some pertinent things to say about them in his essay *"The Art of Donald McGill"* in 1941. Now Benny Green has tried to go one better than Orwell and has written a whole book about them: *I've lost my little Willie* (Arrow £2.50, also hard covers Elm Tree £4.95). Mr. Green traces the tradition back to the Victorian firm of Bamforth and to artists other than McGill.

His text is often heavy going with its tub-thumping insistence of manner, but he has amassed some fascinating information, and his singling out of the main areas of content, sex, sport, drink, patriotism, domestic harness and so on, is valuable.

Not far from the comic postcard stand there is usually a fairground, where popular taste is reflected in the outward structures of the entertainment provided. They are studied with most knowledgeable, scholarly enthusiasm by David Braithwaite in *Fairground Architecture* which has just appeared in a revised edition from Evelyn (Hardback £8.50, Paperback £3.50) revealing through some splendid photographs what feats of engineering and ingenuity underly the magic of the tober.

ANTHONY CURTIS

Property

Looking at London's left bank

BY JUNE FIELD

LEAVING behind the bland air of London's W.1, and crossing over to W.2, is pretty much the same as going from the *Champs Elyseés* in Paris, to the French Left Bank. There is nothing much wrong with W.1, or the vicinity of the *Arc de Triomphe*, but both Bayswater and the *rive gauche* have a lot more going for them.

The tube stations are particularly shabby of course (take your pick from Queensway or Bayswater, they are both equally grubby), and no doubt there is the usual amount of London grime hidden beneath the spruced-up buildings, but the place is alive and humming: usually bright and alight too, with the shops open late at night. The traditional store on the corner is a Greek grocer, one of the supermarkets is Chinese and *Figaro* and *Le Monde* are as much in demand at the local newsagents as any British publication.

T-shirts are printed while you wait at the local boutique, you can eat French-style, Cantonese, Indian and Greek, or take-away pizza, pie, or the latest "original" American ice-cream. Into this district of mixed nationalities and varied appeal (cosmopolitan is the accepted phrase), has come a small, but particularly imaginative redevelopment which has been masterminded by a Bond Street auction house. In Salem Road, W.2, Phillips, the fine art auctioneers, have converted an old warehouse into two custom-built salerooms of 4,000 square feet each, two office suites, and seven "patio" houses.

The original t-shaped two storey warehouse, ex-Savory and Moore, has been transformed into a quite delightful complex, with a balconied elevation, Spanish style, and the terraced houses round the side overlooking cloistered gardens; the whole building is painted sparkling sugar-pink and white, quite startling to come upon as one turns the corner off Moscow Road.

Transformation did not come about by any waving of a magic wand. Rehabilitation only took place after trial and tribulation, a tribute to the perseverance of private enterprise.

The story begins back in 1973 when Phillips bought the place at tender on the assumption that they could convert it to an auction house. They made formal application to the authorities, and were turned down flat. Comments Christopher Weston, the group's chairman: "There we were, with egg on our face, left with this completely barren, ugly thing."

He gives the credit for the metamorphosis to "an absolutely brilliant team of architects who drew up a workable scheme which provided a residential gain to the area by incorporating seven houses." They were also able to convince the powers-that-be that an auction room, far from being detrimental, would actually provide a useful service to the community.

Overall view of the new Phillips West 2 at Salem Road, off Queensway, where a new auction house, two office suites, and a row of seven terraced houses, The Cloisters, have been created out of an old warehouse by architects Campbell, Zogolovitch, Wilkinson and Gough. The houses are for sale on 75-year leases from £36,500, and the offices are for rent at £16,000 p.a. Details: Chestertons, 40 Connaught Street, London, W.2.

The architects, Campbell, Zogolovitch, Wilkinson and Gough, of High Holborn, "a young, dynamic team we are all terribly impressed with," negotiated a tender with the builders, A. Roberts of Leatherhead, and the whole thing was completed within a year. Total cost of the project has been about £2m.

Weston says that his proudest moment was when he received a letter from the Bayswater Residents' Association, commending the sensitive design, compared with some "that all too often can be unimaginative and destructive."

Part of the new Phillips West 2 complex at Salem Road, London, W.2., which includes auction rooms and The Cloisters, a terrace of seven unusual "patio" houses, each with their own balcony back and front. The houses are for sale on 75-year leases from £36,500. Brochure: Chestertons, 40 Connaught Street, W.2.

The terrace of houses, appropriately called The Cloisters (the auction rooms have been christened Phillips West 2, which with the group's Swiss and North America company, brings the branches up to 11), is really something special in design. The roof is Mediterranean style, emulating the provençal canal tiles, and there is an almost monastic quiet about the walkway under the curving balconies, each of which has its own fire-escape ladder down to a patio below. This gives an interesting ship-like quality further enhanced by the austere ironwork which was specially made to harmonise with the area, and is all painted a deep sea blue.

The middle bedroom of the three has the air of an enclosed cabin, with the only light that of a *ridge window* atop an *extremely high* ceiling. The room is ideal for bunk beds, and youngsters will love it. There are plenty of cupboards everywhere, with good loft storage space. All the pipes are fully lagged and all roof areas insulated by three-inch fibre-glass quilt.

There is a main bathroom, and the master bedroom has its own bath and loo, each separately encased in a cupboard, with a basin round the corner. The architects did not actually want to put doors round the bath, but Mr. Weston thought most people would prefer to shut themselves in. As a point of interest I was told that the bath was the same design as the one of Queen Victoria's in Osborne House on the Isle of Wight. Rest assured the plumbing is entirely contemporary.

Good modern fitments with a waste disposal unit are in the kitchen/breakfast area which opens directly onto the patio. The living and dining-room are split-level, and the whole lot can be opened up as one with the kitchen to make 40 feet, surely long enough for any party.

The showhouse is open Monday, Wednesday and Thursday from 10.30 a.m. to 6 p.m., Saturdays 10 a.m. to 12 noon, and Sundays 2 p.m. to 5 p.m. It is not so much that the decor is particularly exciting, but at least it does not look as if it has come lock, stock and barrel out of the nearest department store. The pieces used—middle of the road antiques or pleasant Victoriana—obviously reflect the sale room offerings.

The agents for The Cloisters are Chestertons, 40 Connaught Street, London, W.2, and they will send a detailed brochure which includes a little map showing you how to get there. Two of the houses are already reserved. The prices are £36,500 to £38,500 for a 75-year lease, and garage spaces are available at £350 p.a. exclusive of rates on a yearly agreement. Ground rent for the first 25 years is £75, then subject to fixed reviews every 25 years to £150 and £300 p.a.; the estimated service and maintenance charge is £290 per house, and rateable values are not yet assessed. The two office suites, each of 3,200 square feet, are for rent at £16,000 p.a.

Conversion costs

THE SEARCH, and demand, by individuals, for unusual property to do up and convert, continues, in spite of the high cost of restoration and repair. How much is sensible to spend on conversion on top of the basic purchase price?

A reader who bought an old school recently for £10,000 in its rough state, has already had an estimate of £6,000 for renewing the roof, without taking into account other necessary work.

Appropriate comments on what one can expect to pay for buildings in the rough, come from Timothy J. Lawson of Bidwells, chartered surveyors of Cambridge: "As far as we are concerned, the market trends in conversion posibilities are generally upwards, but interrupted to a great extent by the fact that the costs of conversion escalate so rapidly. This tends to restrict the upward movement in value terms of the base article."

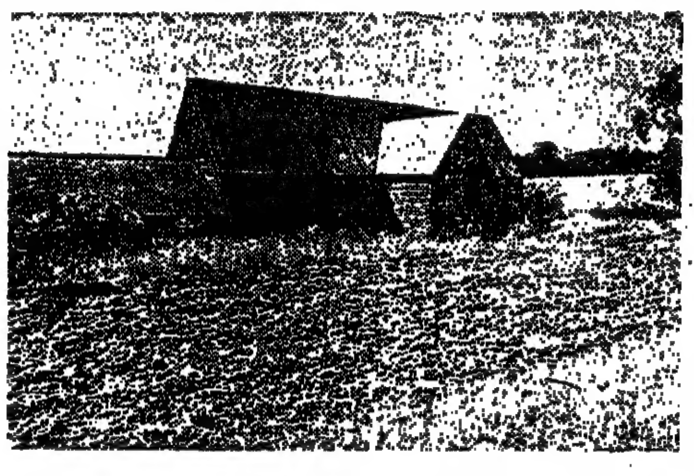
His firm have some handsome old barns for which recent planning permission has been granted for change of use to dwelling house. The prices seem reasonable, but do try to get some idea on what it is going to cost to carry out works.

Water Lane Barn, Denston, Suffolk backs on to open agricultural land with a view to the south over fields and woods, and offers in the region of £8,000 are being asked. Mains water and electricity are available for connection, and drainage will be to a septic tank. Set away from the barn is a cow house and shed which could be turned into garages, or permission has been granted for their demolition, in which case the materials from them, particularly the attractive pantiles, could be used in the conversion of the barn.

Bishop's Barn and cottage, at Widdington, Essex, about three miles away from Audley End station, are on offer for about £14,000. You could use the cottage, which has two bedrooms, two living rooms, kitchen and bath, as accommodation while the work is going on, and later it would come in useful as a granny flat, or holiday annex. Mains electricity, water and drainage are all connected. Bishop's Barn was formerly the centre of a farming operation, and there are actually two barns forming an L-shape, constructed of attractive brick and flint under slate, both very solidly constructed and both with old corn holes. An enormous shed, and good-sized greenhouse and kitchen garden are included in the property.

The use of the site is restricted to one dwelling with annex, and the purchaser has to covenant not to install any windows in the southern wall of the barn where it forms part of the boundary; another condition is the erection of a petproof fence.

For illustrated details of both sets of properties, write to Mr. Lawson at Bidwells, Trumpington Road, Cambridge.



Water Lane Barn, Denston, Suffolk, is an ancient barn of timber frame construction, which has permission for change of use to a dwelling. Offers in the region of £8,000 are being sought by Bidwells, chartered surveyors, Trumpington Road, Cambridge.

Collecting: With the modern trend

THE LATEST Pullman Parlour Cars were operating in the Bournemouth Belle, modern flats in Chelsea were from £150 p.a. with every luxury as well as "cheap electricity," Player's No. 3 were "among the finer things of life," and for the decor of *Victoria*, the fastest motor liner in the world, the general colouring throughout the vessel was "very bright and in accordance with the modern trend."

All these delights were featured in *The Studio* magazine November, 1931, and it is against this background that Clarice Cliffe's *Bizarre* hand-painted ware came to fruition. Her ceramic artistry had a mixed effect on people though. Queen Mary thought it was awful, the *New Statesman and Nation*, 1935, referred to it as "a triumph of ugliness," and even now, with its desirability for collectors on the increase, my local antique dealer dismisses it all as junk, albeit snapping up every piece that comes her way to knock out immediately at "absurdly high prices" to visiting London dealers; true devotees of the style wax positively lyrical, comparing it to the motives of Matisse, Modrian, Gris, Kandinsky—"even in a curious way Van Gogh and Monet."

Miss Cliffe's background is pure Cinderella. An iron *moulder's daughter from Tun*stall, one of the six pottery towns of Staffordshire, she became art director of A. J. Wilkinson Ltd., the pottery firm for whom she worked, and finally married the boss, managing director Colley Shorter. She was adventurous, *avante garde* and talented too. As a girl of 19 in 1918, the bedroom she shared with her younger sister Ethel had decor that can only be described as a foretaste of *art déco*, the startling style of the 1920s. The walls and woodwork were painted orange and yellow, the ceiling metallic gold, the wardrobe and chest of drawers orange with black relief and the wrought iron bedsteads with brass knobs were encased in orange leatherette.

"A nightmare to most people, but described by Clarice as bizarre," report Peter Wentworth-Shields and Kay Johnson in *Clarice Cliffe*, a truly smart new book no Cliffe follower can afford to be without. In a limited edition of 1,510 numbered copies, it is £9.50 in the U.K. plus 45p p. and p., $19 for the U.S.A., $2 postage, from L'Odeon, 56 Fulham High Street, London, S.W.6. The book is really an admirable full-colour illustrated catalogue of the recent Clarice Cliffe Exhibition held there, and the authors have supplemented it in very readable prose with an account of the designer's life. They tell how by the 1960s (she died in 1972 at the age of 73), when *Bizarre* was beginning to be rediscovered and collected, Clarice's reaction was to shy away from this attention, professing not to understand how her work could be considered interesting. "Many of her contemporaries were as surprised as she, and found it difficult to understand why pottery with 'great globs of colour' was now so prized."

Clarice Cliffe's Bizarre ware, c1932.

She was critical of modern day methods employed in the potteries, remarking: "The difference to-day in making pots is staggering. Cup machines that make thousands of dozens per day, plus dipping them in clay and landing them right to the oven mouth. The same with flat ware, saucers and decorating machines. They say a fortnight to a month is ample time for beginners to gain proficiency." A heartfelt criticism from one who started work at the age of 13 as an apprentice enameller for one shilling a week.

In 1972 the Brighton Museum organised a retrospective exhibition of her work to which she contributed catalogue notes and a few pieces from her own collection, which she afterwards gave to the museum.

Peter Wentworth-Shields gave me a guide to prices a collector might expect to pay in London markets. Conical shape jug, *Fantasque* pattern c1930, £10-£20, *Crocus* tea pot 1932, about £20, *Lotus* vase 1933, £30-£70, and a girl holding a candlestick c1935, £8-£15. "Although there is always a very good chance of picking up something much cheaper, especially since so much is still in use at home." Occasionally pieces come up at auction, and at Christie's last month a 64-piece *Bizarre* dinner service, *Odelin* shape, *Rhodanthe* pattern, decorated in orange, yellow, brown and grey sold for £170.

Another excellent new book that is destined to become a definitive work is the lavishly and beautifully produced *Wedgwood Fairyland Lustre—The Work of Daisy Makeig-Jones* by Una des Fontaines published last week by Sotheby Parke Bernet at £30. It tells the story of Susannah Margaretta (1881-1945), known as Daisy since childhood, a doctor's daughter descended from landed gentry, who went to work at Wedgwood at a time when it was most unusual for girls of her class to leave home and earn their living. "The weirdness of the general effect being much enhanced by the variable and elusive colour schemes caused by the play of light and shade on the surface of the lustre glaze," was how *The Pottery Gazette* referred to a novel range of china created during the second and third decades of this century; it was known as Fairyland Lustre, because of its jewel-like colours and fantastic ornament. This ware was produced by an ingenious combination of three processes—underglaze, mottling, overglaze graining, and iridescence.

The book splendidly, and with great quality, illustrates the numerous delightful design variations of elves and pixies, changelings and sprites, gargoyles and grotesque insects, all disporting themselves on backs of lush foliage or among the trunks of fantastic trees.

JUNE FIELD

The Arts

Jazz in Zurich

BY KEVIN HENRIQUES

Bourgeois Zurich, like so many European cities and towns (London, appallingly, the exception) has a full-scale festival of unbourgeois jazz every year. In fact, Zurich has claims to be the oldest jazz festival in Europe, dating back to the early 1950s. In 1975, after a year's break, it reappeared in a new format. This year, under the patronage of the city of Zurich and the International Jazz Federation, the scope was broadened again. The four-day event comprised evening concerts held in various venues, late-night club sessions in a soulless but comfortable plastic hotel, morning film shows, jazz education lectures, a drum workshop, folk music (from Britain) and a fascinating afternoon devoted to "Chinderjazz" with teenies mainly boys from two years to 12, playing various instruments, mainly percussion, under the watchful eyes of two musicians, getting an early opportunity to express themselves instrumentally.

But before surveying the four days' music, it is, perhaps, more appropriate here to consider the financial aspect of a festival held in a city second only to London as Europe's foremost commercial and business centre. For a start, Zurich's festival is untypical of most others, such as Montreux, Nice, Berlin or Warsaw, which are normally heavily subsidised by radio, television and record companies. For its 1976 event, Zurich (population 400,000) had a budget of Sw.Frs.140,000. Of this, Sw.Frs.60,000 was realised from entrance money. The next largest sum, Sw.Frs.30,000 came from a consortium of between 20 and 30 Zurich-based companies specially formed to financially back the festival.

The city of Zurich gave Sw.Frs.20,000, the local television station SwFrs.6,000. The Swiss Bank Union also gave Sw.Frs.6,000 to finance a "50 Years of Swiss Jazz Concert." Sw.Frs.8,000 came from advertising and the remainder from assorted sources. Of course, for a prosperous city like Zurich these sums are comparatively paltry. Even so despite careful budgeting, this year's festival was expected to show a Sw.Frs.15,000 deficit.

The Zurich Tourist Office actively promotes and helps in the organisation and this work adds another Sw.Frs.30,000 which is additional to the budget. Siegfried Schar, the Office's sales promotion and advertising manager, told me why his city persists with jazz festivals. "Zurich has its reputation as a business centre. We want to show people that it has another face, that it is a young, gay city and not just full of banks and industry. We want our new-style festival to develop its own character and not become like so many European festivals which are packed with American musicians. "Eurojazz" is really our Number One priority. We want to encourage jazz musicians from all over Europe to play here."

Certainly this year there was no over-abundance of expensive American musicians. In fact the sextet which climaxed the "Swing to Bop" concert contained five Americans resident in Europe and though Kenny Clarke was on drums and former Ellington sideman Jimmy

Stan Tracey

Woode on bass it exuded surprising, un-boppish somnolence. For visiting British ears the main interest was naturally centred on musicians unlikely ever to play here. The opening concert was an exemplary opportunity.

In the first part the Radio Zurich Big Band blew the cobwebs off several jazz standards including "Straight No Chaser." its five-man trumpet section especially crisp and powerful. There was a dextrous solo of resource and humour from Pierre Favre, one of several excellent Swiss drummers, which enabled him to show off his vast Paiste drum kit. Following was the group of Yugoslavian vibraphonist Bosko Petrovic which played some numbers with the Zurich band. Then two genuine peasants from Istra, near the border with Italy, joined the Petrovic group to try to prove that folk music and jazz can be fused. As in so many similar experiments there was no symbiosis. Just innocent peasants playing their rustic instruments and the not so innocent jazzmen playing their un-rustic instruments.

From the opposite end of Switzerland — Geneva — on another evening came the 12-piece band from La Radio Suisse Romande. Not as impressive as the large one from Zurich, this suffered from an uncharacteristically iron-wristed Swiss drummer. The band climaxed the previously mentioned concert celebrating the jubilee of Swiss jazz. However, to judge from the complementary exhibition on the anniversary, it is a few years older for I spotted a photograph of the splendidly named Lanigiros Syncopating Melody Kings, an amateur band from Basle, which dated from 1924. Viewing the jazz memorabilia in the Stadhaus exhibition one was constantly conscious of one important feature of Swiss jazz, namely that it is predominantly amateur or semi-professional. Even so, Switzerland has produced several international quality professional players. Two, pianist George Gruntz and trumpeter Franco Ambrosetti, played in duo at the jubilee concert and their adventurous, impressionistic music, which could so easily have been boring, benefited from being sensibly compressed.

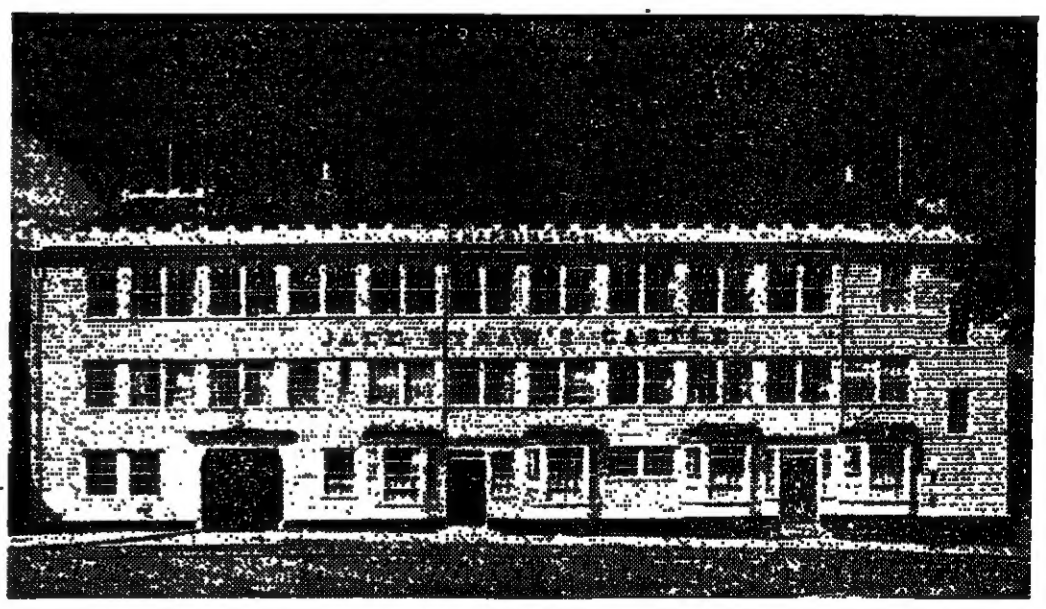
But the general standard of Swiss jazz was more accurately indicated by the non-professional bands at this concert which was the best attended and not solely by nostalgia-seeking, middle-aged Zurichers. The friendly-looking, untrendy burghers who comprised Les Amis du Jazz did not admittedly bring pulsating swing to such Basie-associated numbers as "Taps Miller" and "One O'Clock Jump." And Fred Böhler, almost a father figure of Swiss jazz, did not swing as lightly as his inspiration, Fats Waller, during his solo piano spot. There was spirited Dixieland from the Tremble Kids whose bassist, Isla Ickinger, showed his thorough musicianship in other more modern groups during the four days. The blending of bass clarinet with vibraphone was an unusual voicing from the 23-year-young Metronome Quintet (being Zurich should it have been Metrognome?).

Concerts by non-Swiss included the duo of pianist Martial Solal (France) and bassist Niels Henning-Orsted Pedersen (Denmark). Breathtakingly fleet, they gave a devastating treatment to that simple, lightweight tune "The Continental." More contemporary sounds came from the much acclaimed unit Globe Unity Special of German pianist Alexander von Schlippenbach which played ferocious collective music and also dabbled with mixed media, improvising as a film of the Joe Louis/Max Schmeling bouts were projected. The music was not a knock-out. More mixed media from the Willem Breuker Kollektief from Holland who watered flowers and played at being cowboys. They also found time to play their instruments. It was left to Britain to provide sanity in the form of the Humphrey Lyttelton Band and that ever-probing pianist Stan Tracey whose solo recital on the closing night was described by a Danish jazzman as "the best jazz I've heard at the festival."

Yes, the pound may have died and sunk but British jazz is alive and afloat!

Architects and artists

BY H. A. N. BROCKMAN



Jack Straw's Castle

Raymond Erith, who died in 1973, was one of that ever surviving but small band of architects, also born artists, who can produce solutions of equal validity which yet differ from each other with complete reason in the result. Whatever they do there is the single finger of control and integrity in their designs.

Such was Raymond Erith, who considered that "It is the business of architecture, and indeed its highest praise, to judge rightly what is fit and decent: for though building is a matter of necessity, yet convenient building is both of necessity and ability too: but to build in such a manner that the generous shall commend you, and the frugal not blame you, is the work only of a prudent, wise and learned architect."

The retrospective exhibition of his work in the architecture room at Burlington House continues until October 31. Here is the sum of the work of this remarkable designer whose schemes, both built and conjectural, ranged from the simple-grandiose to the elevation of simplicity to perfection.

Illustrated here is his design for the rebuilding of that famous public house, Jack Straw's Castle on the brow of Hampstead Heath, a perfect essay in which all above ground other than roof tiles, is entirely of timber; so simple and reminscent yet completely original in its aesthetic.

£4,000 Silver Jubilee medal

£4,000 worth of prizes are being offered to the winners of the Jubilee Medal Design Competition, launched under the adjudication of the Royal Society of British Sculptors. Open to all —professional artists, students and anyone with a talent for art —the competition offers a unique opportunity to design a medal as a tribute to the Queen on the occasion of her silver jubilee.

The winning designer will be awarded £2,500 and the design made into one of the most important commemorative silver and bronze medals of our time. Six other designs will be selected for a special award of £250 each.

The design for one side of the medal must include a portrait of Her Majesty, and the reverse side be any design significant to the Jubilee Year. Entries must be submitted by October 29, for the medal to be minted by John Pinches Ltd., early in 1977.

The judging panel will be chaired by Michael Rizzello, recently elected president of the Royal Society of British Sculptors. Other panel members are Sir John Betjeman, Arnold Machin—the designer of the Queen's head on current coinage, Robert Thomas—president of the Royal Society of Portrait Sculptors, Sean Crampton—a distinguished sculptor, and David Cornell—medallist, and director of sculpture at John Pinches Ltd.

Entry forms may be obtained from Jubilee Medal Design Competition, 138, Bromley Road, London SE6 2XG.

Theatres this week

THEATRE UPSTAIRS—*Light Shining in Buckinghamshire*. An interesting documentary piece about the religio-democratic sects that came into being in England under Cromwell, well presented by the Joint Stock company. Opened Monday.

UPSTREAM — *Cat-walk*. An account of a Russian Christian dissident's imprisonment; played in the Church of St. Andrew Undershaft in St. Mary Axe. Opened Monday.

THE OTHER PLACE, Stratford-upon-Avon—*Destiny*. Tracing the history of an extreme right-wing movement from the end of Empire in India to a Midland by-election in the present day. The writing is rather flat, but the playing lively. Opened Tuesday.

SOHO POLY—*Men of War*. Two angry one-act plays, one about football supporters, the other about the Army. Opened Tuesday.

ROYAL SHAKESPEARE, Stratford-upon-Avon—*The Comedy of Errors*. Hilarious musical production of Shakespeare's most comical play, admirably acted and sung. Opened Wednesday.

PHOENIX—*Carte Blanche*. The new dirty revue. Mostly pretty to look at; but neither very funny on the whole nor very sexually exciting. Opened Thursday.

How to spend it — Lucia van der Post

Hotfoot from Milan, where last week Europe's latest designs were revealed, architect John Prizeman reports on the newest trends

COMPARING Italian gloom with British gloom is like morning mist to fog. At the Italian Furniture Fair the new design trends were difficult to define precisely but they were full of promise: a little misty with hints of sunshine to come.

The extravagant, wild ideas that excited the world in the 'sixties have gone. The little firms that had them have either gone bust or grown into huge automated giants. Now the problem is how to feed these giants with designs that have the maximum sales appeal in as many different countries as possible. But that is the kind of design brief that drives any idea straight out of a designer's mind.

The new trends are best typified by the clever "Toys" system by Boffi. Designed by G14 design group after two years' development to fit in with Boffi's huge computerised manufacturing process, it is a deceptively simple series of storage units, chairs, tables and shelves that can completely furnish the home from kitchen to playroom. Although it is cheap it is beautifully made and can be bought in a huge variety of different finishes. The "Toys" range is in wood and is part of a major trend away from plastics due to their high cost to-day.

Boffi's Toys system will be available in October from Just Kitchens, 242 Fulham Road, London, SW10 9NA and will be exhibited at the F.I.T. exhibition at Olympia from November 14—21. Sample prices: Ash wardrobe unit, 135 cm by 90 cm, £130.50. A chest of drawers, 45 cm by 45 cm by 42 cm, £28.80. Cane, single bed complete with mattress 90 cm by 200 cm, £59.30. It can be ordered now and delivery is four weeks.

Nevertheless, there are some cunning finishes which make wood look just like plastics and plastics which look just like wood. Everywhere pine, ash and rattan are being used, with a touch of 1930s burr walnut veneer here and there — like in the Elam "Condor" sofa designed by Piero Rowzani.

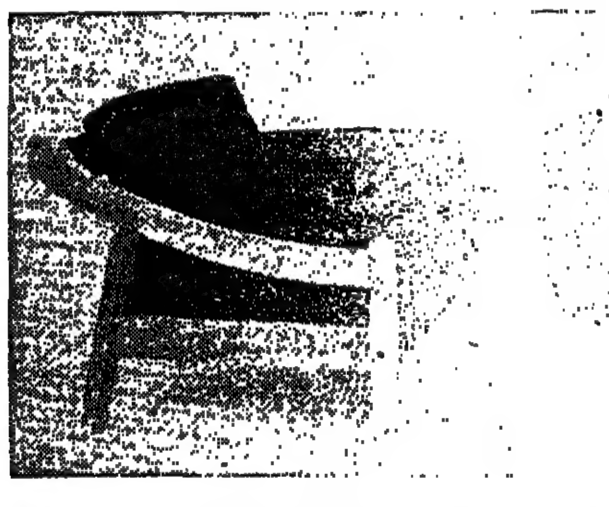
Many firms showed display racks for shops with self-assembly furniture or light fittings in sealed containers. One remarkable chair sold in this way is the new "Box" chair designed by Enzo Mari and made by Castelli. Using old-fashioned plastic it has an immense amount of development behind it and is one of the few cheap chairs actually to be comfortable. It will be imported by Interspace of Rosemont Road, London NW3 and will sell for about £12.00.

Until this year, each Italian furniture fair has been dominated by the work of a great designer: Colombo, Bellini, Scarpa, Aulenti, all excelling each other in turn. This kind of high fashion approach is fading. The designers are still there but their individual flair has been moderated by the large companies through the cold reason of salesmen and production engineers. This is sad because in the end it leads to boring reproductions of old best-sellers.

Many Italian designers are now working very successfully abroad. Magistretti has just launched a new chair designed for Brazil in laurel wood and leather called "Selavy" for Occa. It combines the heavy opulent Brazilian look with Italian ingenuity.

One new idea that is bound to influence the future was the Garbo lighting partition designed for Sirrah by the Japanese Mariyo Yogi of Studio Simon. It consists of a line of small lamp bulbs at ceiling level illuminating two rows of fabric cords hung on either side. Very simple and very pretty.

Cassina showed a new range of modular seating designed by Mario Bellini including an enormous sofa for curling up in instead of sitting on.



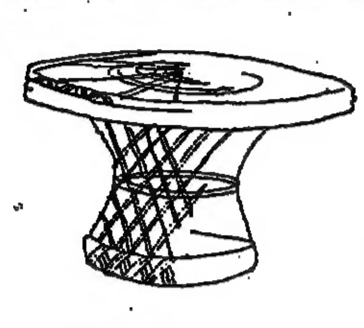
Magistretti's new "Brazilian" chair in laurel wood and leather. Heal's will be able to supply it to order. Because of the plunging pound, price is a little uncertain but it will be about £250.

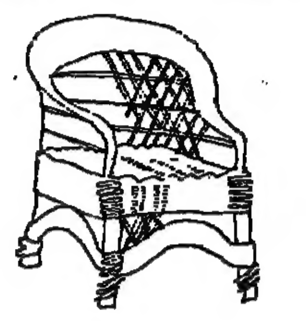
A two-layer sofa designed by Mario Bellini, just right for Italian-style casual living — at a price! Single units start at £300 each, depending on the fabric. Interspace of Rosemont Road, London, NW3 will be importing them and have them available from early next year. All enquiries to Interspace.

Meanwhile, back in Britain . . .

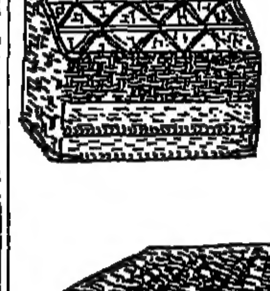
. . . many of us will be forced to search out the less glossy, the less new and settle for things with charm but a lower price tag. Those in search of the odd chair, book-shelf, occasional table, stool or bedhead could well consider two sources which I think provide extraordinarily good value for money. First, New Dimension is alive and well again and its shops look livelier than ever. At the moment they are full of a very reasonably priced range of wicker furniture, which is high on charm but (I would think) not meant to last a life-time—so look for things for a spare bedroom or a study; for a bedside table, or an extra chair — but don't go for classic, mainline furniture. There are 19 shops, of which four (at Ealing, Thornton Heath, Ashby-de-la-Zouch and Bridgend) have Sunday viewing. Write to New Dimension, Manor Road, West Ealing, London W13 for a full list of all their shops and for their illustrated leaflets: but although they deliver they don't run a mail order service.

Cucina is well-known to How to Spend It readers and it has just produced its usual illustrated mail order leaflet full of masses of small things (many of which would make very good Christmas presents), as well as a handsome selection of large items including an amazing variety of wicker and cane in all shapes and sizes. There's a curving bamboo hanger for 95p and a Bentwood rocker for £56.70. Cucina shops are at 4 Ladbroke Grove, London W11 and 8 Englands Lane, London NW3, but write to the first address for all mail order inquiries—postage and packing are included in the mail order list so you can order directly. Send a large envelope plus 8½p stamp for catalogue.

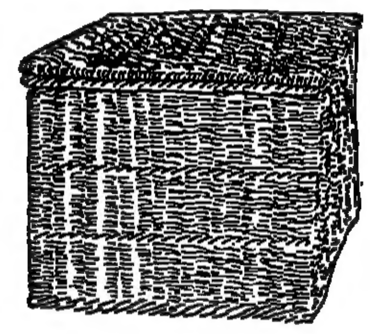


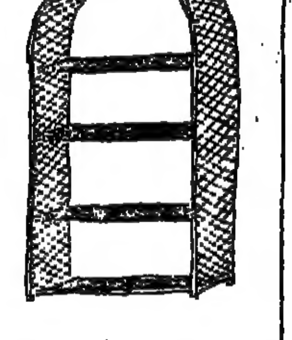


From New Dimension's wicker range, is an easy chair in natural, white, black or green (£19.95), a round occasional or coffee table (£17.95) and a four-tier wicker bookshelf (just the thing to keep cookery books in order or to put in a spare room) that measures 20 inches by 12 inches by 55 inches, for £19.95.



Below, we show a toy box cum linen basket in willow, measuring 23 inches by 26 inches by 17 inches for £12.80 (plus BRS), arched bookshelves in five different sizes and varying in price from £33.85 to £53.85, and a small split cane stationery rack, designed to sit on a desk for £3.30 (p+p 55p)—all from Cucina.





The Autumn Kitchen

Philippa Davenport's many fans will be pleased to hear that although she is temporarily unable to write for us, she will be back regularly in the New Year. In the meantime, HELENA RADECKA, who was part author, with George Seddon, of the enchanting cookery-cum-gardening book, The Kitchen Garden, will keep alive the enthusiasm of the ardent cooks among our readers. Here is her first piece.

THE FIRST chilly days of autumn remind us that the season of summer eating is nearly over. There may still be warm days to come—but these are a bonus. As the days draw in and the family wanders back indoors, the kitchen becomes a centre of activity once more.

This can be an exciting time of year for the cook. After the informality of summer food, you can look forward to the prospect of rather more substantial cooking. But meanwhile, there is still plenty of late summer fruit and vegetables to be had, rich colours and ripe flavours to enjoy just a little longer.

But a sense of urgency creeps in as we realise that one good, sharp frost will change the face of the kitchen garden beyond recognition. Herbs may be past their best for drying—the ideal time for this is when they are just on the point of flowering—but they still have plenty of flavour and it would be a shame to let them go to waste, particularly a precious annual like basil.

If you still have a pot of basil flourishing at the back door, strip off all the healthy green leaves. Purée them in a blender; drop a few leaves at a time on to the turning blades and add a table spoon or two of olive oil to help reduce them to a smooth paste. Season lightly with salt and pour into a screw-top jar. Lay a few whole leaves on the surface and seal it with a thin film of olive oil. Stored at the back of the refrigerator, this delicate essence will spark up the flavour of minestrone, tomato soups and sauces, and vegetables such as green beans for several weeks to come.

If you have been growing tomatoes this year, there are probably still quite a number of green ones on the plants. The sun just hasn't the strength to ripen them any more, certainly not out of doors, so call it a day, gather them in and lay them on a sunny window sill. Most will ripen up completely over the next few weeks—I've even managed to keep some going right up to Christmas. Admittedly, the flavour is not particularly interesting but they make as decorative a garnish as any supermarket tomatoes. The best way to dispose of a glut of green tomatoes is to turn them into chutney or pickle. I have also seen (American) recipes for green tomato pies, but they sound rather desperate.

Undoubtedly, though, autumn's star performers are the orchard fruits. A bowl of crisp apples or aromatic pears makes a perfect finale to even the grandest dinner party, served with a selection of cheeses. And just one small quince sliced into an apple pie is enough to transform it. But if you are already experiencing a temporary surfeit of pies and crumbles, break the monotony with a delicate autumn clafoutis, substituting apples (or pears) for the traditional black cherries.

Hard pears—the only sort one's friends seem to grow—can be a problem. But if you have a basketful of pears, preferably small and round, which would be too hard and underripe for the table, these are just what you need to make spiced pears in vinegar, one of the most versatile accompaniments I know for meat. Put a few jars by in the store cupboard for garnishing game, venison and hare in particular, as well as pork, ham and lighter meats such as veal and poultry.

Autumn clafoutis (serves 6)

This is an adaptation of a country pudding traditionally made with cherries by farmers' wives in central France. If you do not have a jar of vanilla-flavoured caster sugar on the go and cannot find a reasonably good essence, leave it out altogether and rely on the apples to perfume the dish.

3 tablespoons plain flour
Pinch of salt
3 tablespoons vanilla-flavoured caster sugar (see recipe)
2 eggs
1 egg yolk
1 tablespoon light olive oil
½-pint milk
1 lb apples
Butter

Prepare a batter by sifting the flour, salt and sugar into a bowl. Add the eggs and egg yolk, and work them together with a wooden spoon or wire whisk to make a smooth paste. Blend in the olive oil. Then gradually add the milk, beating vigorously to make a smooth, light batter. Put aside to rest while you prepare the fruit.

Preheat the oven to moderate (350 deg. F, Mark 4).

Peel, core and slice the apples thinly into a well-buttered tart tin or ovenproof porcelain dish about 10 inches in diameter. Spread the slices out evenly and cover with the batter, pouring it in over the back of a wooden spoon to avoid disturbing them. Dot with butter.

Bake the clafoutis for 40 to 45 minutes, or until a knife blade slipped through to the bottom comes out clean. The texture should be a cross between custard and pancake, soft but "decided."

Dust with sifted icing sugar or castor sugar and serve warm. Alternatively, the clafoutis may be unmoulded, and may be served cold.

Spiced pears in vinegar

2 lb hard, under-ripe pears (for example Beurre Hardy, Williams or round Conference pears)
Lemon juice
1 lb sugar
Whole cloves
Red wine vinegar

Although at first sight this recipe may seem rather long drawn out, don't be tempted to cook the pears in one go. If they are to retain their firm, grainy identity, they must be cooked very gradually. And do let the preserve mature in its syrup for at least a week before you taste it.

Peel the pears, leaving them whole with their stems intact. As you prepare them drop them into a bowl of water acidulated with lemon juice to prevent discolouration.

In a large, wide pan, preferably one which will just take *all pears in one layer*, make a syrup with the sugar and at least ½ pint water. Simmer for a few minutes, skimming off any scum that rises to the surface.

Drain the pears. Stick each one with three cloves, distributing them evenly around the middle. Lay them in the simmering syrup and cook gently for 10 minutes, turning them occasionally so that they cook evenly (the pears will not be totally submerged in the syrup). Lift them out with a slotted spoon into a sieve set over a bowl and leave to drain overnight.

The following day, boil up the syrup. Add the juices that have drained from the pears. Then poach the pears for a further 10 minutes and return them to the sieve to drain overnight.

On the third day, repeat the process once more, but this time continue to simmer the pears until translucent and soft but not mushy. If the syrup is very thick by this stage, thin it down with a few tablespoons of boiling water.

Using the slotted spoon, transfer the pears to hot, dry jars. Measure the remaining syrup and add an equal volume of wine vinegar. Bring to a rolling boil and fill the jars to the brim. If awkward little air bubbles *remain trapped inside*, carefully slip a thin blade down the side of the jar to release them.

Cool to lukewarm before screwing on lids or covering the jars with greaseproof paper lids or plastic wrap.

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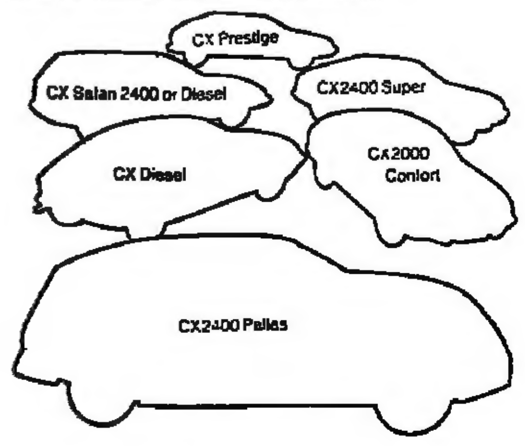

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HOME NEWS

Athletes may gain little from steroids

By David Fishlock, Science Editor

SERIOUS DOUBTS have been cast on the efficacy of anabolic steroids—drugs used by athletes for body-building—by experiments carried out by a team of British scientists on 11 young athletes in training.

The men all put on weight, but there was little to choose in improved performance between those who took the drug and those give a placebo.

The seven scientists, writing in to-day's issue of *The Lancet*, say they believe that the existence of an anabolic action—the principal basis for consumption by athletes—"should be regarded as an open question."

The athletes—all between 19 and 25—who were studying physical education in a teacher training course, were given a standardised programme of weight training for two weeks, *free from medication.*

Half then began taking 100 milligrams of methandienone (Dianabol) daily, while the rest took "an indistinguishable placebo."

Swapped

After six weeks all 11 ceased both training and treatment for five weeks, then trained for another week without medication. Finally, all underwent six more weeks of training and medication during which their treatments were swapped over.

Those who were taking the drug gained an average of 7 lbs in weight, and the increase was shown to be in the muscular parts of their bodies. The muscles themselves increased in size.

But although the strength and performance of the volunteers improved during each six-week spell of training, there was no significant difference between those taking the drug and those taking the placebo.

The scientists think that the increased bodyweight might have been due to an increase in fluid taken up by the tissues.

Pesticide makers demand health hazard reports

FINANCIAL TIMES REPORTER

BRITAIN'S AGROCHEMICAL producers are demanding that any evidence linking the use of pesticides to health dangers in farmworkers should be reported to the independent Pesticides Safety Precautions Scheme.

Complaints ranging from ulcers, indigestion and eczema, to impotence after the use of certain chemicals in intensive agriculture, are alleged in the Land Worker, the magazine of the National Union of Agricultural and Allied Workers. The article is written by Dr. Richard Clutterbuck, a lecturer at the North East London Polytechnic.

Dr. Clutterbuck claims that in the past attention has focused mainly on the environmental effects of pesticides.

"Piles of scientific papers have been produced on the effects on pigeons, partridges, or penguins in the Arctic.

"But now it is becoming apparent that the main dangers are to those who are first exposed—the workers who produce and use the chemicals."

The onus of remaining uncontaminated is placed on the worker, who is expected to wear protective clothing, and not on the manufacturer. Because of discomfort from lack of ventilation, however, workers were sometimes tempted to disregard the regulations laid down for the use of chemicals.

Mr. C. S. Major, assistant director of the British Agrochemical Association, said yesterday that very stringent independent tests had to be carried out before any product was put on the market under the terms of the Pesticides Safety Precautions Scheme. The experiments included possible health hazards to workers handling thet chemicals.

The association would be delighted if any evidence found by Dr. Clutterbuck was forwarded to the scheme.

Complaints had not been received, from factories manufacturing the pesticides specified by Dr. Clutterbuck as potentially hazardous, even though workers were exposed throughout the year and not just seasonally as on farms.

The National Union of Agricultural and Allied Workers is seeking information from its members throughout the country on any ill-effects suffered as a result of using pesticides.

Alcan group move to cut credit time

BY IAN HARGREAVES

ALCAN BOOTH and Alcan (U.K.) said yesterday that they were following the growing trend of cutting credit time available to customers. From November 1 all payments will be required net cash 30 days from invoice date instead of the present practice of requesting payment at the end of the month after the month of invoice.

The 30-day pracice is required in some parts of Alcan Booth, but from November it will be standard throughout both companies.

Alcan said that the changes at Alcan Booth would reduce the impact of inflation on the company's working capital requirements and release funds to finance increasing demand and improve production facilities. Alcan Booth is owned 75 per cent. by Alcan and 25 per cent. by Kaiser Aluminium.

The company was not prepared to estimate the likely stimulus which the change in invoicing would produce, but it is certain to be substantial. ICI which is to cut credit time by 10 days at the end of the year, expects to receive a once-and-for-all injection of at least £25m.

Shell and BP have announced changes in line with the ICI decision.

Alcan said that it was not able to afford the luxury of giving customers longer notice of the change. With the slide in sterling and the pressure for earlier payment by suppliers, especially suppliers of energy, action had to be taken quickly.

It might have been expected that Alcan would have followed the ICI, Shell and BP decisions in seeking net cash due by the 20th of the month following the month of invoice.

THE FALL IN THE POUND SINCE 1967

	Oct. 1 1976	Sept. 28 1976	March 16 1973	June 22 1972	Dec. 17 1971	Nov. 17 1967	Percentage fall in pound since 1967 devaluation
Australia—$A	1.34	1.32	1.74	2.16	2.15	2.51	46.6
Austria—Sch.	29.00	28.70	50.15	59.35	59.88	71.83	59.7
Belgium/Luxemb'rg—Fr.	63.10	62.25	96.90	114.23	115.10	138.03	54.3
Canada—$	1.62	1.59	2.45	2.53	2.52	2.98	45.6
Denmark—Kr.	9.81	9.72	15.07	18.21	18.13	19.31	49.2
Finland—Mk.	6.43	6.34	9.53	10.65	10.36	11.63	44.7
France—Fr.	8.28	8.04	11.11	13.04	13.89	13.63	39.3
Ireland—£	1.00	1.00	1.00	1.00	1.00	1.00	—
Italy—Lr.	1,456	1,397	1,409	1,510	1,516	1,729	15.8
Japan—Yen	479	472	640	778	796	1,000	52.1
Netherlands—Fl.	4.28	4.21	7.10	8.27	8.28	9.99	57.2
New Zealand—$	1.71	1.68	1.85	2.16	2.14	2.01	14.9
Norway—Kr.	8.90	8.79	14.50	16.96	17.02	19.90	55.3
Portugal—Esc.	52.20	51.80	57.00	69.48	68.50	80.20	34.9
S. Africa—Rand	1.46	1.43	1.74	1.95	1.79	2.00	27.0
Spain—Pta.	113.40	111.00	141.75	166.00	168.50	166.75	32.0
Sweden—Kr.	7.15	7.05	10.86	12.25	12.36	14.38	50.3
Switzerland—Fr.	4.09	4.04	7.97	9.72	9.80	12.00	65.9
W. Germany—DM	4.08	4.03	6.93	8.21	8.24	11.06	63.1
U.S.—$	1.67	1.64	2.46	2.58	2.53	2.78	39.9

London middle market rates rounded. The September 28 rates precede the U.K. application for a $3.9bn. stand-by credit from the International Monetary Fund. The March 16, 1973, rates precede the start of the joint float by operation EEC and associated currencies on March 19. The June 1972 rates pre-date the current floating of sterling. The December 17, 1971, rates precede the Smithsonian currency agreement. The November 17, 1967, rates precede the 14.3 per cent. sterling devaluation against the dollar.

Appledore orders boost job prospects

By John Wyles, Shipping Correspondent

EMPLOYMENT prospects at the Devon yard of Appledore Shipbuilders have improved considerably with the capture of around £5m. worth of orders.

None of the orders has been officially announced, but Mr. Jim Venus, the company chairman, said yesterday that the company had taken a two ship order for 3,000 tonne mini bulk carriers from a British owner as well as a separate order for a small cargo ship.

The orders would provide employment for the company's 850 workers through most of next year. "We shall not make a vast profit on any of the ships but we definitely won't make a loss," he said.

The sinking pound appeared to be stimulating more inquiries from shipowners. The market for small ships, Appledore's speciality, in any case was fairly buoyant.

Europe aerospace unity urged

By Michael Donne

A PLEA for unity in the European aerospace industry if it was to share in the principal markets of the future was made yesterday in Aix-en-Provence by Mr. Allen Greenwood, chairman of British Aircraft Corporation and a deputy chairman-elect of the projected nationalised British Aerospace Corporation.

Mr. Greenwood told a meeting of the Association of European Aerospace Companies (Aecma) of which he is retiring president, that if Europe continued to adopt its present "individualistic and nationalistic policies" it could not hope to sustain the present aerospace industry employing 500,000.

"We have quite enough competition from outside Europe without competing among ourselves. If 1975 taught us anything, it was surely that divided we fail.

"I am, of course, referring to the purchase by four NATO Governments of an American combat aircraft rather than one produced in Europe.

"I do not for a moment believe that Europe is incapable of designing and manufacturing military, or for that matter civil, aircraft of the highest quality.

"But we can hardly hope to counter the tough, single-minded competition which we face from overseas if we attempt to do so with our present fragmented attitudes.

"Of course, greater unity means that all of us have to make some concessions, but they are relatively minor compared with the alternative, which is for each of our great companies to become progressively sub-contractors with all that that entails.

"Let us never forget that sub-contractors are the first to suffer when business declines—and the aerospace industry is notorious for its booms and recessions—with rather more frequent recessions than booms.

"A truly united European industry means a strong industrial base from which we can negotiate as equal and welcome partners, an industry which is confident in itself, and which can seek and expect to receive not only adequate Governmental encouragement but also respect from overseas when we discuss co-operative plans."

● The member-airlines of the International Air Transport Association are expected to hold another conference in Europe in mid-November to resolve the problem of North Atlantic air fares for next year.

September profits up 15.9%

Financial Times Reporter

PRE-TAX PROFITS shown in the 112 annual reports and accounts from U.K. industrial companies last month were £201m. against the comparable year-ago figure of £173.4m.

This is a rise of 15.9 per cent., compared with the August year-on-year increase of 21 per cent. September report dividend costs showed an in-line increase of 16 per cent. on the year-ago level.

Over the third quarter as a whole both pre-tax profits and dividends were higher by nearly 18 per cent. compared with the same quarter of last year.

The quarterly sequences so far this year are, for profits, up 0.5 per cent.; down 7.4 per cent.; up 17.8 per cent.; and for dividends, up 11 per cent.; up 11.3 per cent.; up 17.8 per cent.

Computerised stockbrokers cut staff

By Keith Lewis, City Staff

STOCKBROKERS W. I. Carr, which recently held unsuccessful merger talks with Simon & Coates, has reduced its staff by just over 20 to about 150 people.

The cut reflects the pressure that brokers are undergoing because of the low level of business and the transition at Carr from a manual administration to a fully computerised system.

The reductions have been made entirely in the office staff, some of whom have been given early retirement. None of the partners or analysts is involved.

The stockbroking firm of Belisha has also announced that it is to cease trading on October 15. Three of the main equity partners, all of whom were partners in the original Belisha firm before the merger with Beamish and Jackson, Smith and Chance, are to become associate members with Montagu, Loebl.

A partner said last night that it would be wrong to assume the Belisha-Beamish merger had not worked. All the parties involved were still convinced that it was right at the time. However, he welcomed becoming part of a larger firm and ceasing to be a senior partner.

Two Dublin stockbroking firms, Bloxham, Toole and O'Donnell & Fitzgerald are also to merge.

Cunard may complete ship deal next week

BY JOHN WYLES, SHIPPING CORRESPONDENT

CUNARD STEAM Ship Company said yesterday that its $102m. purchase of 12 refrigerated cargo ships from Maritime Fruit Carriers should be completed by the end of next week.

Financing arrangements for the deal have agreed with the banks, and Mr. Victor Matthews, Cunard's chairman, said that the British company would pay about 25 per cent. of the price in cash.

Agreement has been reached with Maritime Fruit's creditors, *who seized control of the 12 U.K.-registered ships,* although Cunard will return to the High Court on Monday to seek extension of an injunction preventing the forced sale of two vessels, the Maranga and the London Clipper.

Cunard believes that if this is successful, it can conclude the agreement and make payments to Maritime Fruit creditors within seven days.

All the reefer ships will be run by Salen Reefer Services, original charterer of the vessels until their owners' cash crisis precipitated action by creditors.

The deal with Cunard is testimony to Salen's behind-the-scenes manoeuvring since MFC's collapse. Of the 37 ships the Swedish company was originally operating on charter, it will have retained at least 35 for continued trading.

This means that Salen will remain a substantial force in the transport of refrigerated fruit cargoes, after several months of uncertainty and a period when its position appeared seriously threatened because of the Maritime Fruit collapse.

With completion of the Cunard deal attention will switch to the future of Maritime Fruit shipbuilding orders at British yards.

Most if not all proceeds from ship sales will go to creditors, which means that on the surface MFC appears in no stronger position to take delivery of the three large oil tankers it has ordered from Harland and Wolff and Scott Lithgow.

But its management has consistently maintained in recent weeks that it wants to go ahead with these and will find the means to do so.

Blue Circle cutback

BY ROY HODSON

The Blue Circle Group of cement companies is to close some of its production facilities and cuts its labour force by about 500.

Agreement has been reached with the trade unions on a voluntary redundancy scheme. The company intends to go ahead with the closure of a works at Sundon, Bedfordshire, and the conversion into distribution centres of works at Woodham, Essex, and Kirton Lindsey, Lincolnshire.

Terry Kirk

PRINCESS ALEXANDRA, patron of the 17th international industrial film festival—she is seen here with Mr. Kylre Simond, chairman of the organising committee — presented the awards when the festival, held in London, ended with a dinner last night.

British films scored a triumph. Sixteen countries entered and Britain gained eight of the 23 awards as well as one of the two grand prix. France won five awards and the U.S. and Netherlands two each.

Organised by the Council of European Industrial Federations, the festival is held in a different country each year. Invariably some subjects seem to dominate as the industrial theme of the period. Other years have featured pipelines, banks and nuclear power; this has been the year of oil and telecommunications.

Interest in the festival has been high, with more than 400 representatives from 17 countries, including the USSR—which is taking a relatively new interest in industrial films.

The grand prix awards for the best films in the festival went to Locomotion (sponsored by the British Railways Board) and Twenty-Three/Twenty-Eight (Firestone Tire and Rubber, U.S.).

British films gaining first prizes in the various categories were, as well as Locomotion, The Motorway File (Central Office of Information for the Environment Department), The Oil in your Engine (British Petroleum); Second awards went to: Oil Well (Shell International), Sea Area Forties (British Petroleum), Eyes Down (National Federation of Building Trade Employers): Third awards went to: Flammable Liquid—Beware! (Fire Protection Association), IBM 3750 (IBM).

Other first awards went to: Iroise (Elf Aquitaine, France), Alloscopie (Secretariat d'Etat aux Postes et Telecommunications, France), LSA-Kontakte (Krone GmbH, West Germany), Von Medium Buch zum Medium Film (AV-Zentralstelle des Kanton Zurich, Switzerland), Twenty-three/Twenty-eight (Firestone Tire and Rubber, U.S.).

EMI £25m. building plan to go ahead

BY QUENTIN GUIRDHAM

EMI is to go ahead with plans to build an office complex off Tottenham Court Road, London, after five years of negotiation and two public inquiries.

The group reckons its building costs, at present rates, to be £25m. on a programme to be completed by the end of 1980. As well as 176,000 square feet of offices, the centre will include recording studios, a triple public cinema, 20 shops and two pubs. The Open Space Theatre will be rehoused.

Camden Council said yesterday that all the main points of disagreement between itself and EMI were now settled. EMI will contribute the land on which the council will build 189 flats in two self-contained blocks.

The development will be on a three-and-a-half acre site formerly known as the Gort Estate. The intention is that building will be carried out under a management contract with Bovis Construction.

Sir John Read, chairman of the EMI Group, announcing the *go-ahead, said that he wanted* to emphasise that the project was "in no way a matter of property speculation."

'Tartan Army'—two cleared

MR. HAMISH HENDERSON and Mr. Robert Anderson were *cleared of all charges yesterday* at the "Tartan Army" trial in Edinburgh.

Mr. Donald Currie and Mr. Gerard McGuigan were found guilty of possessing explosives near the French consulate in Edinburgh on May 31.

Mr. McGuigan was also found guilty of sending a letter inciting a man to cause explosions. Mr. Currie was found guilty of causing two pipeline explosions and also of possessing explosives.

All four were found not guilty of the conspiracy charge.

Mr. Currie was jailed for five years and Mr. McGuigan for one year.

A fifth accused, Mr. [illegible] MacPherson, who pleaded guilty earlier in the trial to causing two pipeline blasts, was put on probation for two years.

In his summing-up, Lord Justice Stott told the jury at Edinburgh's High Court to return Not Guilty verdicts on several of the charges.

Two chiefs in credit company to go

By Margaret Reid

BANK America-Williams Glyn Factors, the credit company hitherto jointly owned by Bank of America and Williams and Glyn's Bank, has terminated the employment of Mr. J. K. Holland and Mr. R. A. Lester, respectively the former managing *director and general manager.*

Both were suspended in July pending completion of an audit and inquiry into the company's portfolio and procedures. At that time the Board appointed Mr. Michael Gabitass as managing director until the inquiry was completed. Now Mr. Gabitass, a British citizen, has been formally appointed managing director.

The Board meeting yesterday which made these changes also recognised that substantial provisions would be required to cover certain estimated losses up to December 31 last year.

It has also been agreed that Bank of America will buy out Williams and Glyn's 44 per cent. stake in the joint company whose name is to be changed *and through which Bank of* America intends to remain in the factoring business in the U.K.

CONTRACTS AND TENDERS

The Hashemite Kingdom of
JORDAN
Ministry of Transport
Amman, Jordan

requests international contractors interested in bidding on any or all of the below listed construction packages apply for Prequalification to its Manager for the new Amman International Airport

International Bechtel Incorporated
P O Box 20586, Amman, Jordan
Telex 1508 WATEKA JO

Copy to The General Manager, Amman International Airport Project, Ministry of Transport,
P O Box 1929, Amman, Jordan
Telex. 1541 MOT JO

1 **Communications-Navaids**—Includes Furnishings, Installing and Testing of the following:

A Instrument Landing System, VHF Omni-Directional Range, Distance Measuring Equipment, Non-directional Radio Beacon, Meteorological and associated weather measuring equipment. All inside and outside plant, cables, wires, and associated equipment for the above.

B Air Traffic Control Systems, Air-Ground VHF radio sub-system, UTC private telephone system, Control Tower equipment, Intercommunication lines, Airport Ground Communications system to include electronic private automatic branch exchange and Land Mobil Radio service Misc. airport services such as Public Address system, Flight Information Display and Closed Circuit TV surveillance system. All inside and outside plant, cables, wires and associated equipment for the above.

C. Tenderers for the above must demonstrate proficiency in both Navaids and Communications or must submit proposals with a joint venture partner of complementary capability.

2. **Airfield Lighting System**—Includes Furnishing, Installing and Testing of the following:

A. Runway Edge lighting, Runway Centerline and TDZ lighting, Precision Approach Cat. II lighting, Taxiway Edge and Centerline lighting

B. All inside and outside plant, cables, wires and associated control and other equipment for the above including short-break standby power system

3 **Electrical Distribution System and Standby Power**—Includes Furnishing, Installing and Testing of the following:

A 11KV Underground Power Distribution including establishing load centers and main substation with necessary H.T./L.T switchgear and transformers.

B. Centrally located Standby Power system.

C All inside and outside plant, cables, wires and associated control and protection equipment for the above.

4 **Control Tower**—To house aircraft and airfield operational control facilities. Floor area of Tower Cab to be 40m², Equipment Room of 40m², and Mechanical Room of 40m². Both Cab and Equipment Room will be air-conditioned. The floor height of the Cab will be 35 meters above the site grade and metal clad. Tower to be a standard pre-fabricated package meeting FAA Standards.

All requests for Prequalification Forms must be received in Amman, Jordan by the Manager no later than C.O.B. October 17, 1976.

Completed Prequalification Forms must be received by the Ministry of Transport and the Manager, separately as addressed above, no later than C.O.B., November 1, 1976.

LABOUR PARTY CONFERENCE

Code soon for power bill defaulters, says Benn

BY JOHN HUNT

THE GOVERNMENT will publish soon a code of practice governing the cutting off of electricity to people who cannot pay their bills, Mr. Anthony Wedgwood Benn, Energy Secretary, told the Labour Party conference yesterday when he wound up a debate on fuel policy.

A motion calling for an immediate increase in the fuel allowance in supplementary benefit, in-line with rising fuel costs, and a complete end to all disconnections was defeated after Mr. Wedgwood Benn said the Government would not be prepared to go that far.

But the conference passed a resolution calling on the Government to give the Energy Secretary powers to direct the Central Electricity Generating Board to use more coal in its power stations to help the national economy.

Hardship

Mr. Wedgwood Benn told delegates that there had been real hardship to electricity users who could not afford to pay their bills. He agreed that the policy on disconnections needed re-examination.

The Government had to deal with "the nonsense" under which miners were digging coal which was not being sold, while Electricity Boards were charging high prices to cover their capital costs which they could not meet because of the fall in demand for electricity.

This was why the Government would be publishing a code of practice dealing with cutting off power supplies and with other related matters.

The Energy Secretary, dealing with the general position on fuel policy, urged foreign countries to take greater note of the U.K.'s massive resources when they commented on Britain's energy prospects.

Promising full consultation on future policies he said: "We are nearer than we have ever been to the integrated fuel policy which the movement has always wanted. We have massive resources of coal and gas and nuclear power and oil around our shores."

Turning to nuclear power, Mr. Wedgwood Benn, who is also chairman of the party's home policy committee, recalled that the Government had decided to go ahead with the steam generated heavy water reactor.

"There has been no indication whatever of Government support for the pressure to abandon the British reactor and go for the American reactor. We are looking at the proposals that have come to us.

"But I have made it clear that the proposals which have been put forward have not been accepted by the Government."

On the fast breeder reactor, he promised that the Government would publish all the information before reaching a final decision and that there would be full discussions.

Dealing with coal, he said that with 300 years of coal resources ahead of us any sensible policy must give this fuel its proper place in the energy plans. But there was no sense in producing it if you did not plan to use it.

"It is ludicrous that we have been importing coal at a time when we were stocking it up at home." Arrangements had been made to phase down imports and to set up the necessary consultative machinery to achieve this.

Crisis

He agreed with speakers who had said that there was a severe crisis in the heavy electrical engineering sector. Orders from the Central Electricity Generating Board were fluctuating widely and the central policy review staff, the Government "think tank," had been invited to examine the matter.

The Government was looking at the problems of the industry and its supply industry, and the planning agreement system would be applied to this sector.

The successful motion from the National Association of Colliery Overmen Deputies and Shotfirers called for the greater use of coal in generating electricity.

It said that all new power stations using fossil fuels should be capable of burning coal. It wanted increased State support for producing better methods of electricity generation, including nuclear fuel.

Left move on defence stalled

By Justin Long

WITH SOME rumbles of disappointment from Left-wing delegates, the conference agreed to a NEC request to hold back from a resolution urging defence spending cuts to a level proportionate to that of our major European allies.

Delegates supporting the resolution at the rostrum criticised the genuineness of the Government's intention to reduce military spending. Mr. Stan Newens, MP for Harlow, contended that the Government's proposals for cuts were "phoney."

'Bring troops home' call is rejected

BY PHILIP RAWSTORNE

DEMANDS FOR withdrawal of troops from Northern Ireland were overwhelmingly rejected by the conference.

The withdrawal demands were made in a resolution moved by Mr. David Ellis (Coventry S.E.), who said the trade unions should organise to defend working people against sectarian murder. "*The Army has proved incapable of preventing violence.*"

Mr. Ellis, calling on the Labour Party and trade unions to work towards "an all-Ireland mass party of Labour," pressed for the ending of bipartisan policies in favour of "a Socialist approach."

Miss Sally Thomas (Portsmouth South), supporting the resolution, said that an urgent drive was needed to improve deplorable housing and reduce unemployment, which constituted a "breeding ground of sectarianism."

Mr. Terry King (Petersfield), said: "*Those people who support* the Troops Out movement should stand up and tell us that they don't care how many people are killed in Northern Ireland as a result. Aren't there enough guns in Northern Ireland without us voting to put more on the streets?" he asked.

Eighth Race Bill defeat in Lords

THE GOVERNMENT was defeated in the Lords yesterday on the naming of the new body to be set up under the Race Relations Bill—the eighth vote to go against the Government during the line-by-line study of the measure this week.

Conservatives were successful in a move to call the new body the Community Relations Commission rather than the "Commission for Racial Equality." It was argued that "race" was an emotive word.

Other subjects on which the Government has been defeated, and which it will have to decide whether to restore to the Bill, include:

Burden of prooof—which in some cases the Conservatives complained had been transferred from the complainant to the person accused of racial discrimination;

Clubs and associations—this section was deleted from the Bill

The answerability of shop stewards for any racial discrimination in their activities, and

The requirement to take into account previous acts of discrimination *in a field in which* a person is seeking qualifications.

Opponents of the measure successfully argued that shop stewards should be legally answerable.

They also objected to the requirement dealing with acts of discrimination and qualifications.

100 years old

CHARLES Wickstead, of Kettering, Northants, whose park recreation equipment is sold in more than 80 countries, *celebrated its centenary* yesterday. The company employs 300 people and its annual turnover exceeds £2m.

OVERSEAS NEWS

Rift stays between rich states and poor

By Reginald Dale

HONG KONG, Oct. 1.

COMMONWEALTH Governments to-day failed to solve their differences over the future of international trade in raw materials and debt relief for the world's poorest countries. The four developed Commonwealth nations—Britain, Canada, Australia and New Zealand—refused to make new concessions, despite considerable pressure from the developing countries present here.

Ministers from developing Commonwealth countries accused the industrialised members of "back-tracking" on their commitments at the Nairobi May meeting of the United Nations Conference on Trade and Development (UNCTAD) to establish a common fund to finance international commodity trade and negotiate debt rescheduling.

Nevertheless, the two-day meeting of commonwealth finance ministers here ended with an agreement to press for increased funds to be made available to developing countries at next week's meeting of the International Monetary Fund and the World Bank in Manila.

For the first time, the Commonwealth countries appointed a single spokesman, Mr. Donald Macdonald, the Canadian Finance Minister, to speak on their behalf in urging a rapid increase in the Bank's capital and a replenishment of funds for the International Development Association (IDA), the major provider of soft loans for the world's poorest countries.

But familiar differences of view resurfaced over debt relief and trade in raw materials. The two key issues in the current "*dialogue*" between industrialised and developing nations. The industrialised countries want all trade and financial problems to be settled on case-by-case basis as the need arises, while the developing countries want a fundamental restructuring of the world economy to ensure that their interests are looked after automatically.

Moscow gesture to China

By David Satter

MOSCOW, Oct. 1.

IN A GESTURE indicating Soviet willingness to seek better relations with China, the Soviets to-day coupled one of their regular calls for the normalisation of relations with the publication of an authoritative analysis in the Communist party newspaper Pravda from which the usual anti-Chinese references had been eliminated.

The call, which differed little from previous ones, came in an unsigned message from the Soviet Government to the Chinese Government on the 27th anniversary of the proclamation of the Chinese Communist State.

The Pravda analysis which accompanied it, however, differed strikingly from a comparable analysis of the subjects which appeared in Pravda *last Spring*, before Mao's death.

To-day's article re-iterated Soviet willingness to improve relations, listing the Soviet Union's efforts in that direction, and blaming the Chinese for the current antagonism.

The article to-day, however, contained none of the earlier article's derogatory references to Chinese policies and to Maoism.

The result was that even though it offered nothing new in the way of concrete concessions, it was more conciliatory in tone than anything published by the Soviet Union on China in recent years.

Madrid strike fails to disrupt city

BY ROGER MATTHEWS

MADRID, Oct. 1.

TENS OF THOUSANDS of Madrid workers answered a call for a general strike to-day but failed to disrupt normal life in the centre of the city.

The stoppage had been called by a number of left-wing political parties and workers' organisations as a protest at the killing of a student during a demonstration at the beginning of the week.

Riot police and the para-military Guardia Civil patrolled working class areas, especially in the southern industrial belt where the strike call men met with the greatest response. Several large metal working factories were halted after workers' meetings voted in favour of the strike while in other sectors only partial stoppages were reported.

The most affected sectors, apart from the engineering, were construction and printing. Over 15 bus routes did not operate, making many thousands late for work.

By mid-afternoon at least 25 people had been arrested, most of them for belonging to groups of pickets who from early morning toured factories and building sites.

Riot police were in action several times breaking up concentrations of workers and using smoke bombs and baton charges to disburse university students.

Even the limited response to what is a wholly politically motivated strike has caused fresh concern among employers who are due to negotiate major wage agreements before Christmas. Many of them see no way of averting further damaging strikes and this is having a corresponding effect on what is already a very depressed picture of investment intentions.

In a separate move, the ground staff of Iberia the national airline, began a go-slow *in* Barcelona to-day and this is likely to be followed at the week-end by the Madrid employees. Coupled with the continuing air traffic controllers' work to rule; this is expected to have an accumulative effect on flight delays.

Large parts of Barcelona were also without bread to-day following a lightning stoppage by bakers and in the nearby Sabadell region, the engineering strike and lock-out that involved over 250 companies, seems set to enter its third week.

The fortnight-old postal dispute is also dragging on with four main cities, including *Madrid, still without deliveries.* Despite confident daily predictions from the Director-General of the Post Office that the men are returning a basis for agreement has not yet been found.

Ford reduces Carter's lead

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Oct. 1.

PRESIDENT FORD was able to *take comfort* to-day *from* the latest Gallup Poll, which shows him continuing to eat into Mr. Jimmy Carter's lead, but is also finding that questions concerning the propriety of his behaviour while a Congressman have not been silenced by his explanations of yesterday.

The Gallup Poll, taken September 24-27, immediately after the first televised debate, puts Mr. Carter ahead by eight points, 50-42. A Harris survey earlier this week gave the Democrat a nine-point margin.

Gallup gave three principal reasons for Mr. Ford's advance from the 18 point deficit in its previous poll, taken five weeks ago. He had cut Mr. Carter's overwhelming lead in the South (though, the Georgian still enjoys a 17-point lead in the region), firmed up his own Republican party backing and gained the lead among independent voters.

Conscious that his lead has been eroded, Mr. Carter has clearly decided not to allow people to forget the implication that Mr. Ford's personal integrity is perhaps less pure than popularly supposed. Yesterday Mr. Carter said that he accepted "at face value" the President's denial at a hastily summoned White House Press conference (to which the television cameras were not invited) that he had committed no wrong doing.

This morning, however, Mr. Carter was milking the issue for all it is worth. At a breakfast with union leaders in Maine, he said: "I know the difference in people's lives between a President who gets his advice, his knowledge, his friendship, his golf games, his obligations from special interest groups in Washington—compared to one who derives all my support, my advice, my counsel, my strength, my criticisms directly from the American people."

It is clearly Mr. Carter's intention to make Mr. Ford's character and the record of his administration, particularly on the economic front, the issue of the next few weeks. So far in the campaign, with Mr. Ford largely closeted in the White House and with yesterday's somewhat staged response to questions in his first Press conference in three and a half weeks, it is Mr. Carter's character and judgment which have dominated the headlines.

Mr. Carter will continue to try to winkle Mr. Ford out of the White House. He may now have acquired an unwitting ally in the Press; the White House Press Corps, which covers only the president, is generally considered to be notoriously tame, unwilling to subject the President to the sort of rigorous examination that Mr. Carter has experienced from the heavyweight political journalists who have covered his campaign.

There are signs now, though, that the White House Press Corps is getting restive, perhaps even to the point of biting the hand that feeds it. Relations beween it and Mr. Ron Nessen, the President's Press Secretary, have deteriorated remarkably in recent days and next week's Presidential campaign swing out West could produce some fire-*works*.

Portugal changes labour laws

By Paul Ellman

LISBON, Oct. 1.

EXTENSIVE changes in Portugal's labour laws, including the reintroduction of powers of dismissal, were announced to-day by the minority Socialist Government.

The measures were seen an another challenge by Dr. Mario Soares' Cabinet to Communist authority which is already under pressure with the first reversals of illegal land grabs.

A Cabinet meeting which began yesterday morning and lasted into the early hours of to-day voted to revoke a law which recognises the national labour confederation, the Intersindical, as the sole trade union grouping.

Communist control over a majority of unions has enabled the party to dominate the Intersindical leadership. Non-Communist unions recently launched a campaign against the Intersindical leadership.

Other measures announced to-day included a new code providing for instant dismissal of workers who violate its provisions. Among offences for which workers can be dismissed is "unjustified refusal to carry out orders, repeated absences with grave results for a firm, or causing financial or physical harm to a company or those who work in it."

Apart from attempting to restore discipline to Portugal's absenteeism-plagued companies, 70 per cent. of them state-owned, the Government also announced indirect pay curbs. Overtime working was limited to 10 per cent. of the normal work week and the value of fringe benefits to 50 per cent. of basic pay.

The Cabinet promised that a national prices and incomes board would be functioning within two weeks and that new legislation covering strikes would be laid before the National Assembly which reconvenes on October 15.

The Communist Party did not react officially to the Government's measures but the revolutionary Left daily Pagina Um proclaimed: "Never in history has a single session of a so-called Socialist Cabinet managed to liquidate so many victories of the workers."

Nevertheless, the Communists, who launch their campaign for local elections in December at a mass rally in Lisbon to-night, promised early this summer that they would fight any attempt to curb workers' rights.

The party has been similarly muted in its reaction to first moves aimed at redressing abuses of the agrarian reform programme. Dr. Soares' Government made a start this week to the process of returning 101 farms to illegally dispossessed owners.

No former owner has so far actually returned to his land due to Government determination that all possible means will be used to ensure that the hand-backs occur peacefully.

Tokyo prices up 2.8%

BY DOUGLAS RAMSEY

TOKYO, Oct. 1.

STATISTICS RELEASED here to-day show that consumer prices in Tokyo went up a startling 2.8 per cent. in September.

This is the highest monthly rise since the worst of the 1973 *oil price rises worked their way* through the system in April 1974. At that time the Tokyo Consumer price index had shown a 3 per cent. increase.

The strong inflation, which Japan had appeared to have under control, thus appears to be recurring.

If all-Japan figures for September follow Tokyo's lead, as they usually tend to do, the country will have an increase of over 5 per cent. in consumer prices since last April 1, the start of fiscal 1976. *This effectively puts* paid to the Government's attempts to keep inflation for the whole of fiscal 1976 to only 8 per cent.

It is now clear that the sharp rise of wholesale prices in July was, after all, sign of worse things to come.

In announcing the 1 per cent. increase then, the Bank of Japan insisted that it was not expected to have a major influence on consumer prices.

But the rise in fuel prices have certainly been a contributing factor to the September upsurge in consumer prices, and the worst is not yet over.

Lighting and fuel prices went up by 8 per cent. in September, rice by 8.8 per cent., clothing by 8.6 per cent. and vegetables by 17 per cent.

Together, they account for most of the month's 2.8 per cent. increase in the Tokyo CPI which will be followed late in October with statistics for all Japan.

Osaka's prefectural Government also announced to-day a sharp rise in consumer prices of 2.6 per cent. for September.

The increase is a blow to Japan's economic planners who had been able to boast of near-stagnant prices since May and an actual drop in the Japan CPI in August of a modest 0.8 per cent.

The Finance Ministry has already shelved its target of a 5.8 per cent. rise in wholesale prices after the July increase and will now have to revise the 8 per cent. consumer one—perhaps into double figures, unless drastic action is taken to avert several hefty price rises now in the offing.

Gulf to close in Ecuador

By Jay Palmer

NEW YORK, Oct. 1.

BOTH GULF Oil and representatives of the Ecuadorian government in New York made it clear to-day that the U.S. oil company *will shortly, one way or another,* be closing down its entire operations in the South American country.

However it remains totally uncertain how and exactly when Gulf's departure from Ecuador will take place. In separate statements to-day, Gulf said that there could be "an orderly withdrawal following negotiations," while Ecuador said the company should be expelled for breaking its laws.

The feud between Gulf and the *government of Ecuador* stretches back to the beginning of this year when both sides started to accuse each other of breaking the terms of the original 1970 agreement to form a consortium to produce and transport oil from Ecuador's Oriente fields.

The row escalated abruptly early last month when Ecuador's Minister of Natural Resources, Colonel Rene Vargas, threatened to confiscate all Gulf's Ecuadorian assets unless the company *paid its debts ot the Government.* The company was given a deadline of September 30 to pay $52.9m.

At that time Gulf stressed that it had no intention of paying over the cash on the grounds that the Government itself owed the company over $30m.

However, early to-day Gulf capitulated, and paid into a New York bank account the $52.9m. demanded by Ecuador. At the same time the company said that the cash had gone into a special segregated account pending the "satisfactory completion" of talks leading to a solution of the dispute.

Umtali Bishop gets 10 years

BY OUR OWN CORRESPONDENT

SALISBURY, Oct. 1.

THE Roman Catholic Bishop of Umtali, the Rt. Rev. Donal Lamont (65) was to-day sentenced to 10 years imprisonment with labour on two counts of failing to report the presence of guerillas, and two counts of counselling others to commit the same offence.

Lawyers acting for the Bishop immediately lodged notice of appeal. The Bishop is on bail on his own recognisance.

At his trial in Umtali Regional Magistrates Court last week he pleaded guilty to the charges, and read a 33,000 word unsworn statement in mitigation, in which he condemned white minority rule and Rhodesian Front policy.

Speaking from his Umtali home after the sentence, the Bishop said that he had expected 10 years, "but when the magistrate added "with labour," I thought this was rubbing it in a bit too much. But it does not worry me.

INTERNATIONAL COMPANY NEWS AND BOND MARKETS

PLM aims for 50% profits rise

BY WILLIAM DULLFORCE

STOCKHOLM, Oct. 1.

PLM, the Swedish metal can, packaging and waste treatment concern, reports pre-tax earnings of Kr.41.1m. (£5.5m.) for the first eight months of the year, an increase of just over Kr.10m. compared with the corresponding period last year. Managing director Ulf Laurin anticipates a 1976 profit in the Kr.70-75m. region or some 50 per cent. higher than the Kr.48.5m. reached last year.

Among other indications that the concern is on its way back to its 1974 profit level (Kr.116m.) is the 21 per cent. increase in the order intake over the past eight months. Sales improved during the second four-month period to Kr.610m. against Kr.562m. during the first four months and Mr. Laurin believes PLM is on target for the 17 per cent. growth in 1976 turnover to Kr.1.85bn. (£250m.) which he set at the beginning of the year.

Of the concern's ten divisions PLM Metal, which manufactures metal cans, and PLM Haustrup, the Danish metal can division, both showed substantial earnings improvements during the eight-month period. A smaller increase occurred in the Euroglass division, based on the Nether*lands and West Germany, while* the Swedish glass division, where cuts in capacity have been made, continued to show a loss.

The paper, resource recovery and Selltrans (building and transport) divisions were still operating "under very difficult business conditions" and are not expected to pick up until 1977.

The Kr41.1m. pre-tax profit for the first eight months includes an extra-ordinary income of Kr.2.6m. and stock profits of Kr.3.6m. In the corresponding period of 1975 earnings of Kr.30.9m. included stock profits of Kr.7.4m. and an extra-ordinary income of Kr.0.5m.

Interest charges were reduced slightly but remain high at Kr.30.1m. The concern's liquid assets have risen since the beginning of the year despite a reduction in foreign short-term borrowing, effected because of the uncertain currency situation.

German banks arrange $200m. for Czechs

BY DAVID LASCELLES

A GERMAN banking consortium is arranging a $200m. credit for the Czechoslovak Obchodny Banka, the consortium co-leader Commerzbank has announced in Frankfurt. The other co-leader is Deutsche Bank.

The credit, which will probably have a life of five years, is only the second Eurocurrency loan arranged for Czechoslovakia whose balance of payments has generally been stronger than the rest of Comecon's.

However, there has been growing concern in Prague over the recent poor performance of Czechoslovak engineering exports, particularly to the hard currency area, and it had been expected that it would seek further credits.

Obchodny Banka's previous loan was for $60m. last November. Commerzbank said the terms of the new one would be similar, but would not disclose the spread.

ABN lifts French bank holding

BY MICHAEL VAN OS

AMSTERDAM, Oct. 1.

ALGEMENE BANK NEDERLAND (ABN), Holland's largest commercial bank, has reinforced its position in the French banking sector by acquiring a further 12 per cent. interest in the share capital of the holding company De Neuflize, Schlumberger, Mallet. This will bring the bank's interest in the company to 40 per cent. as its subsidiary Mees en Hope already owns 28 per cent. of the capital. The French holding company in turn owns the whole share capital of the Paris banking house De Neuflize, Schlumberger, Mallet.

A spokesman for ABN declined to give details of the financial *transaction with the private* French banking house. Banque de Neuflize, Schlumberger, Mallet is a very well established deposit bank, which has also gained an important share in the area of international issues and security transactions.

The French bank's head office is in Paris where more than 700 people are employed, and it has an office in Lyons with about 100 employees, and a subsidiary in Geneva. The bank's visible capital and reserves are given as about Frs.115m. ABN already *has a number of important* interests in France the main one being the Banque Jordaan. Based in Paris, it also has offices in Neuilly-sur-Seine, Nice and Lille. Its balance sheet total is around Frs.3.5bn.

The ABN statement said that the two organisations' activities complemented each other. The Dutch bank also purchased Caisse Industrielle de Credit Automobiles in France a few years ago.

Canada pulp companies searched

BY OUR OWN CORRESPONDENT

MONTREAL, Oct. 1.

AGENTS of the Federal Combines Investigation Branch, armed with warrants, have searched the headquarters offices of several major pulp and paper companies in Montreal, Vancouver and Toronto, and taken away files.

The Combines Branch of the Department of Consumer and Corporate Affairs deals with price-fixing, takeovers and mergers. The department in Ottawa would not say what the purpose of the searches was, though industry sources speculated officials were either looking for evidence to support price-fixing allegations or possibly checking into the 1974 takeover of Price Company Ltd. and Abitibi Paper Ltd., which formed the largest newsprint producer in Canada.

The branch has the right, under the warrants, to search for documents and take them away for up to 40 days.

Companies searched were: Macmillan Bloedel, Vancouver; Crown Zellerbach Canada, Vancouver; Consolidated-Bathurst and Domtar, Montreal; and Abitibi Paper, Toronto.

EIB bond issue

THE European Investment Bank (EIB) is to float its second Asian dollar bond issue next week. The size of the bond is $US30m. and maturity is seven years, while the coupon is being indicated at 8.5 per cent. The bond is expected to be priced on October 13.

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Wines and Spirits

FINANCIAL TIMES REPORT

The bitter taste of taxation

BY KENNETH GOODING

IT USED TO BE said that the drinks trade prospered whatever was happening to the rest of the economy. The theory was that during the good times people drank to celebrate and during the bad times they drank to drown their sorrows. Unfortunately it was a theory which never could stand very close examination and this recession has proved that the drinks business is as vulnerable as most others at a time when incomes are falling, in real terms, and prices are rising rapidly.

The U.K. wine and spirit traders have had to put up with more than just the general, all-consuming inflation and the fall in the value of sterling which has hit their many imported products. They have also had to put up with a Chancellor of the Exchequer who has substantially lifted the retail price of drink nearly every time he has presented a Budget, either maxi or mini.

Duty on wine and spirits will this year net the Treasury well over £1bn., with about three quarters of that huge sum coming from the pockets of the spirit drinkers. When you buy your bottle of scotch or gin this coming Christmas the first £2.89 will go to pay the duty. There is, of course, VAT to pay as well and this takes the total Treasury "take" to about £3.10 a bottle. The duty element in the cost of a bottle of table wine is 50p *and for a bottle of port or sherry* around 67p.

The Wine and Spirit Association can prove convincingly with the help of statistics compiled over the past ten years, that the Chancellor could collect just as much from liquor if he allowed prices to fall or at least to remain stable and become comparatively cheaper. There is no doubt that the extra volume consumed would ensure that.

But some Puritan streak in Mr. Healey seems to insist that the volume of alcohol consumption be cut while his income must continue to rise. It has long-ago become accepted in the City, for example, that "a Labour government is bad for the booze business." There is certainly a strong anti-drink element within the Labour Party, as there is in some religious organisations. And they have collected their own statistics which indicate that drunkenness and drink-driving offences increase as liquor becomes available through a wider variety of outlets and consumption rises.

This argument continues to be made. But in the meantime the drinks trade, knowing just how important price has become, particularly for those people who carry their alcohol home to drink, has fought to keep prices in reach of the average customer — even though Mr. Healey has in the past three years forced up the retail price of most drinks by more than 40 per cent.

At the retail end of the business the supermarkets and cut-price grocery stores have played a major part in keeping prices down. These relative newcomers to the trade have had a profound influence and in the past ten years built up an estimated 40 per cent. share of the take-home liquor business. This success has attracted other non-traditional retailers to the wine and spirit sector so that, for example, both Woolworth and Marks and Spencer are rapidly building up significant presences.

One important feature of this change in the retailing of drinks is that it has put alcohol within reach (literally) of women — women who were often reluctant to go into a retail outlet which dealt with the sale of liquor alone. Not only are women drinking more often (as distinct from drinking more) but they are also more and more influencing the wine and spirit buying decision. Over half the housewives questioned in a Fine Fare survey claimed the responsibility for the decision to buy. And over half the money used for the purchase came from their "housekeeping" money.

But women do seem to be influenced by unit pricing — the cost of the package on the shelf, no matter how much it contains. This explains to some extent the move in some sectors of the trade to keep the retail cost of the final package down below a certain level—deemed to be the price at which a kind of psychological barrier goes up and consumer resistance sets in.

Whisky is being sold in smaller bottles or at a lower alcoholic strength or a combination of both. New brands have been introduced which contain blends of less-expensive Scotch so that the price can be kept low. The sherry trade, and those people involved in selling sherry types of wine, have also been following this route.

If some of this smacks of desperation, then it is because the trade is a little desperate. Shops have closed, wholesalers have gone out of business. The companies that remain are employing fewer people and employment has shrunk by perhaps 10 per cent. during the recession, with sales forces being hit particularly badly.

One step the Government could take, aside from pushing *up volume of business by* actually allowing prices to be cut, would be to give the traders time to pay the duty. Duty is paid on wine and spirits when it is taken out of bond but the trader has to wait several weeks to get it back from the customer. The introduction of an adequate credit period for the payment of duty would, according to the Wine and Spirit Association, "constitute not only a major relief for the trade but a very significant step in the struggle to hold costs and thus prices."

The loss of revenue to the Exchequer would be only in the first year and, if necessary, the introduction of a, say, six week *credit period could be* phased over three years.

"There are additional advantages in the institution of a credit period. It would assist investment and the modernisation of plant (plans for both of which have been halted), maintain stability of employment and support price restraint. Plans could be made against the anticipated improvement in cash flow," says the WSA.

The Chancellor has not reacted so far—last time he said he could not afford to forego the £100m. involved but would keep the matter under consideration. So the traders continue to hammer away at this point in their meetings with various ministers and civil servants.

At the same time the Chancellor has also made it clear that he intends to keep lifting duty so that the cost of alcohol rises at least in line with the *cost of living.* The sad fact is that, if it was to match the "real" 1972 price, a bottle of Scotch should sell for about £4.40 to-day. So Mr. Healey has plenty of leeway if he wants to add to the duty burden again next spring.

Gin

A spirited comeback

BY KENNETH GOODING

WHILE SCOTCH whisky remains by far the most popular spirit *among the drinkers of* Britain, gin has been the second-favourite for more than 50 years. The comparative position of the two types of spirit can be gauged by the Customs and Excise statistics which show that last year Scotch sales in the U.K. totalled 16.34m. gallons while those of gin were 5.29m. gallons—equivalent to about 48m. bottles. Rum, in third place, had sales of 3.33m. gallons, a figure helped considerably by the buoyancy of white rum sales.

In the recession gin has been holding its market share against all the others except vodka. To take the most recent Customs clearance statistics, in the year to the end of June, gin sales were down by 7.5 per cent. while those for Scotch fell 8.5 per cent.

But with vodka sales rising in spite of all the factors which have hit the other spirits, the *trade expects that in ten to 15* years' time gin will have given up its market position to vodka even though it will in the meantime show a slow and steady growth.

Gin suffers, of course, for having been around for 150 years. Vodka is a young upstart *of only 18. Because gin is so* well-established, like Scotch it is rejected by many young drinkers simply because their parents drink it. But gin is gradually throwing off at least the "mother's ruin" part of its old image even if it still conjures up a middle-aged, affluent and rather boring image for many people.

We can draw a pretty reasonable picture of the average gin drinker, thanks to a recent survey which Euromonitor conducted at more than 1,000 households throughout Britain. The gin drinker tends to be well-off, or in the AB/C1 socio-economic groups. (Almost half the AB households stocked gin compared with only 5 per cent. of DE households.)

The gin drinker is likely to be middle-aged, in his or her 40s to 50s. According to the survey, popularity of gin seems to rise to a peak in these years of a person's life and then drop sharply among the over-60s.

The gin drinker tends to be loyal both to the product and to his favourite brand. Here we must rely on the recent changes in the market place. The evidence seems to show that, rather *than trade down to a less-*expensive product, gin drinkers have traded down in another way—they buy at the take-home outlet rather than by the tot at a bar.

As a result it seems that sales of gin in the U.K. are about half through the "off" trade and half over the bar counter. Not so many years ago it was 60-40 in favour of the bar.

This change has benefited the best-selling brands because they are the ones most frequently demanded by name. By far the best-selling gin in the U.K. is Gordon's, the Distillers Company brand which has 55 to 60 per cent. of the market (the estimates are vague and depend on which source you choose). Distillers also owns Booth's and its sister product High and Dry which between them have around 20 per cent. of the market split roughly 15 and 5 respectively. With White Satin from the Seagram group and Squires, owned by a consortium of brewers, each having an 8 per cent. market share, this does not leave much to be shared between the other brands like Beefeater and Gilbey.

Two to three years ago a *determined attempt was made to* upgrade and update the image of gin. The campaign was very successful, as far as the gin distillers were concerned, because it definitely put a boost behind sales. Gordon's, as befits such a dominating market leader, bore the brunt of this attack and spent heavily on cinema advertising. (A gentleman's agreement among the distillers keeps spirits advertising off the television screens.)

That was more like a generic campaign and did a lot for total gin sales. Gordon's has now switched the theme and its promotional effort is aimed much more at emphasising the brand name. It will probably spend about £750,000 on advertising this year while Booth's might spend around £400,000. This is not particularly heavy when compared with some drinks, but the distillers traditionally have promoted brands by using discount systems and "loyalty" bonuses to get their products onto the retailers shelf. After that there is not much left in the kitty for above-the-line promotion.

Scotch

Gloom begins to lift

BY RAY PERMAN

THE RECESSION from which the world is only now emerging has taught some hard lessons to a number of industries, and Scotch whisky manufacturing has been no exception. From the end of the Second World War until just a few years ago, there seemed to be practically nothing that could go wrong for the whisky industry. Production costs were remarkably low and *the worldwide appetite for the* golden liquid seemed almost insatiable.

In the decade from 1963, for example, total exports of Scotch more than doubled (from 31m. proof gallons to 78m.), with the United States by far the most important market, often taking more than half of all whisky sent overseas. At the same time home consumption was also increasing dramatically, from 8.6m. proof gallons to 15.3m.

It was true there had been a few plateaux reached during the upward sweep of the graph, but they were attributable to dock strikes or other short term factors, and did not give cause for undue worry. After 1973 things started to change. Firstly production costs began to rise as a result of the oil crisis and a substantial increase in the price of barley and maize. And secondly, a year or so later, the recession began to have its effect on demand—and the recession was more intensive and more widespread than any previous one.

Although total sales by volume continued to increase, the growth was not anything like as big as the industry had been used to. And most serious of all, the two traditional leading markets actually showed a serious drop in demand. From 1974 to 1975 consumption of scotch in the U.S. dropped from 37m.-proof gallons to 34m., while in the U.K. the fall was from 17m. to 16m. Other large markets, such as Brazil, Italy and Canada, also showed decreases. The seriousness of the situation was reflected in company profits.

The vulnerability of the industry began to become apparent. With a production cycle of perhaps five to six years, it depended on regular, sustained growth in demand to be able to finance increases in production. So far 1976 has done at least a little to lift the the gloom. Although there have been quite wide fluctuations from month to month, the cumulative export sales to August have been up on last year—0.6 per cent. by volume and 18 per cent. by value, as a result of increases in export prices in all markets except the U.S., and the depreciation of the pound.

So the industry can at last begin to look forward again. Although few would share the optimism of Mr. Adam Bergius, chairman of the Scotch Whisky Association's Information and Development Committee, who predicts an 8 per cent. annual growth rate over the coming *few years, many now hope for* a figure of up to 6 per cent. That may seem small compared to a growth of 9 per cent. year on year which the industry has enjoyed in the past, but it is a base on which to build a new policy.

Part of that policy may have to be to look very hard at the way and the intensity with which whisky is marketed. It remains to be seen whether the whole of the fall in demand can be attributed to the economic situation or whether there are other factors.

The breakthrough in the domestic market seems to have been made by the Chancellor of the Exchequer. The 65p increase in duty last year smashed the £3 barrier for a bottle. Once that had gone there seemed little bar to the industry piling on its price increases—four separate rises added 50p to a bottle. The subsequent drop in sales, three per cent. between January and April this year has been far outweighed by the return.

The easing of the recession has given the industry new heart to face the future. But there are still problems ahead. One of the main ones will be the increasing number of countries putting high rates of duty onto Scotch in order to give an advantage to locally produced spirits. In the past two years 50 countries have increased internal taxes and tariffs, including some which are very important markets for scotch. Italy, for example, levies VAT at 35 per cent. on scotch compared to 18 per cent. on spirits based on grapes or other fruits, and the United States government rates all bottled whisky as if it were 100 proof (which it is not), thus encouraging the import of bulk whisky to be bottled in the U.S.

White spirits

Vodka leads the way

BY ANTONY THORNCROFT

IN A year in which spirit sales generally are roughly 10 per cent. below the less than *buoyant 1975 level, there is one* white hope—vodka. Vodka can hardly expect to maintain its early growth rate, which touched 25 per cent. in some years, but turnover is around 6 per cent. up, and there is a good chance that, after overhauling brandy in 1976, it will overtake rum to become the number three spirit. In not much more than a decade vodka has captured almost 10 per cent. of the U.K. spirits business and it expects to hold 15 per cent. by 1980.

Vodka is doing well because it is comparatively cheap; because its tastelessness is fashionable, enabling young drinkers, who are its heaviest buyers, to mix with it a wide range of soft drinks; because it appeals to women, who are important purchasers of spirits in supermarkets and off-licences; and because it has a "no hang-ups, no hang-overs" image.

To make sure that the growth in sales continues the leading vodka companies are increasing their advertising budgets. Market leader Smirnoff, from IDV, with around 45 per cent. of sales, intends to spend considerably more than the £300,000 of last year; Cossack, the Distillers' brand with around 23 per cent. of the market, is also spending more, while Vladivar, from Greenhall Whitney, the fastest growing vodka with just under 20 per cent., intends to double its advertising from this month to £300,000 a year. All told, over the next year, vodka could be the most heavily advertised spirit.

By heavy advertising these three brands have kept well ahead of the competition, although the less expensive lines like Bolsoi and Orloff, have managed to do deals with some of the supermarket chains, and there is a growing challenge from "own *label*" vodkas. The only other vodka with a worthwhile stake is Romanov, from Allied Breweries, which has just gained access to the pubs of Whitbread at the expense of Cossack.

Competition is intense among the vodkas. Smirnoff has been upset by the appearance of 70 centilitre bottles on retail shelves, selling for around 24p less than the more conventional 75 centilitre bottle. It has responded by introducing a new line, Popov, in the smaller bottle. But on the whole there is still enough potential in vodka, which is not the most expensive spirit to produce, to make this the brightest part of the spirits trade, in contrast to its erstwhile competitor for the young affluent drinker's purse, white rum.

After years of rapid growth, sometimes with sales rising by 40 per cent. a year, white rum seems to have entered a period of decline. Last year consumption was static; this year there has been a fall. Least affected has been the dominant brand Bacardi, which has around 80 per cent of the market. It is sold over here by the Bass subsidiary, Hedges and Butler.

Its main competitor is Courage's Dry Cane, which claims around 15 per cent. of the market, mainly through Courage pubs. There is also distribution in Whitbread and Watney houses and some Allied pubs. White rums have probably suffered more than other spirits because of their premium price and because they are usually mixed with quite costly drinks, like cola. In addition the fashion to drink a rum and coke has faded somewhat—Pernod is more trendy.

However, Bacardi is just launching a fresh advertising campaign through its new advertising agency, Kirkwoods, and Dry Cane is not far behind in expenditure, investing £250,000 this year. Bacardi has managed to hold the competition at bay so far by some quite hard hitting campaigns—especially an advertisement making the point that a publican had been fined £65 for serving a competitive brand when Bacardi had been ordered. Beware of the Bacardi inspectors.

Wines and Spirits

Fine wines — Bargains to be found

BY EDMUND PENNING-ROWSELL

THE TERM "fine" as applied to wine may suggest snobbism, a word too often thrown at usually innocent wine drinkers. So let us define it.

A fine wine is one made under controlled conditions in a delimited but not necessarily small area, and usually, through varying periods of maturing time in cask or bottle, capable of development and improvement; and for that reason usually a vintage wine, though not of course for such as tawny port or old solera madeira.

However, a vintage date on the label, even assuming it to be authentic, does not put a wine into the "fine" class. For example, much as I like Sancerre I would not describe it as such; nor many Italian wines that I have come across, agreeable though they may be; yet Barolo, Barbaresco and Gattinara in Piedmont are marginal, as are the *cru beaujolais*. It all depends. I would place the Marquis de Riscal's Rioja in this class, but not many other riojas. The superior champagnes, especially the vintage, yes, but some others not. There is no authoritative ruling, and much depends on personal taste.

In recent years here in Britain the class if not the actual term has suffered a certain demotion of esteem; this in spite of the greatly increased consumption of wine. The growing access to ordinary "table wines" as the EEC calls them, with prices controlled if not reduced by surplus production, coincided a few years ago with considerable increases in the cost of higher category wines; the classical example being, of course, Bordeaux in the 1971-73 speculation period. This, combined with its over-inflated "wine scandal," brought discredit on to French and perhaps other fine wines far beyond the confines of the Gironde. Why pay more for these and other wines when they may not be genuine? This was, of course, a highly exaggerated, unfair reaction, but it occurred. Moreover in this country the persistent decline in sterling, accompanied recently by rising duties, scarcely encouraged demand for the finer wines of France and Germany; nor indeed of fine port, whose price seemed to shoot up overnight.

Further, the effects of boom and bust have left a good deal of uncertainty as to what "fine wines" are worth, both in terms of quality and price. If they were over-priced a few years back, are they under-priced to-day? Also are what are described as fine wines as good as sophisticated publicity proclaims? And are they "all that much better" than the plain, unpretentious ordinaires?

The answers must to some extent be subjective; and it is well-known that *other* people's expenditure, especially on luxuries including wine, often seems extravagant. If one is merely looking for an alcoholic accompaniment to a meal then some but not all of the branded table wines may well be the answer. If, however, wine is a real source of enjoyment, and one is prepared to devote to it some time and attention, the results are gratifying.

For many people, not necessarily unwilling or unable to spend freely in other directions, the price of many fine wines is a deterrent to purchase. Owing partly, perhaps, to the plethora of "cut-price" wines currently available, there seems to be a commonly-held view that wine, unlike other commodities, should not rise in price; and of course this opinion has been strengthened by over-production in relation to demand, to economic recession and to severe competition in a trade with probably too many retail outlets.

In fact, up to a certain price level, fine wines often offer better value than ordinaires; for the customs duty on both types is the same. In Britain the superior qualities are reasonably priced, and, for reasons already given, less expensive in real terms than a few years ago—and almost certainly cheaper than they will be in the foreseeable future. That they are less expensive than in other countries has been demonstrated by the rush of Continental and American buyers to the London wine auctions, helped though they have been by the falling pound.

Looking in turn at the main types of fine wine involved, there are still bargains to be had in Bordeaux: in such claret vintages as '66, '67, '70 and '71, and the last three of these years for white Bordeaux. Looking further ahead, such prominent classed-growths as Beychevelle, Brane-Cantenac, Ducru-Beaucaillou and Lynch-Bages, whose opening prices, ex-château, were about Frs.23,000-Frs.25,000 per tonneau (100 dozen bottles) have been offering their certainly superior 1975 at around only Frs.16,000-Frs.19,000.

In Burgundy the small amount produced, combined with at least two poor vintages in a row, has certainly caused a steep rise in prices, but this has not yet been reflected in merchants' lists here. Fine red and white burgundy can still be bought very favourably, but this is highly unlikely to continue when the '76s come on the market. The vintages to go for are '69, '70 (for fairly early drinking) '71 and '72 in red wines, and '69, '71 and '73 in whites.

If German wines now seem expensive, this is more the result of the fall in sterling than of an increase in growers' prices. For the Rhine and Moselle producers have kept their prices remarkably steady, partly owing to competition within Germany from imported wines. The '71s and '73s are not to be missed.

Much the same might be said of other fine wines from Alsace, the Rhône and the most favoured districts of Italy and Spain, but the outstanding other fine wine worth attention is vintage port. Subject first to speculation and then to often-precipitate sale, there are real bargains to be found in such vintages as '60, for drinking now, '63 and '66 for laying down, and, for the longer haul, '70—the last vintage yet generally declared in Oporto.

To sum up, while to the uninitiated and uninterested fine wines are about as attractive as a box at Covent-Garden to the tone-deaf, I hope that I have been able briefly to indicate their appeal and to show that just now in Britain there are particularly good opportunities to acquire and enjoy them.

Sparkling wines — Fizzy choice

BY COLIN INMAN

CHAMPAGNE is an expensive beverage, costing in this country £3 a bottle and upwards, and a great deal upwards if you happen to be in a restaurant. So it would hardly be surprising to find that during a world recession it proved to be one of those items that has had to be excised, so to speak, from the shopping list. To some extent this has been the case.

Both home sales and exports fell off in 1974 after a boom year in 1973, though the drop in the former (the French are by far the biggest consumers of their own product) was only about 6 per cent. The export fall-off was much greater, but this was at least partly caused by shippers overstocking the previous year.

In 1973, with economic crisis looming, or rather an even-bigger-than-usual economic crisis looming, 10.3m. bottles of champagne were shipped to the U.K. In 1974 this figure fell to 4.6m., and in 1975 to a mere 3.1m. bottles. Thus the British lost their place as the world's biggest champagne drinkers outside France, although we must bear in mind that these figures are for shipments; the fall-off in sales may not have been so dramatic.

During 1975 Belgium moved into first place in the table of champagne's export markets, partly as a result of an intensive advertising campaign. However, the figures for the first six months of 1976 show that the lead has changed hands again. Italy is the new front runner, the 2.6m. bottles shipped there representing a more than three-fold incrase on the previous year. Close behind comes the U.K., with 2.2m. bottles, so we can conclude that discounting a sudden rash of ship launchings, wedding or christenings, both nations have decided to drink themselves into economic oblivion in style.

More prosaically, I am told that the Comité Inteprofessionnel du Vin de Champagne has been involved in a Press campaign to promote champagne, which may have something to do with the 69 per cent. rise in total export sales during January-June this year; and that as well as absorbing a number of price increases, U.K. shippers have been energetically promoting individual brands.

U.K. brand leader is Moet and Chandon, which managed to increase its exports shipments both to the U.K. and worldwide during the 1975, a year of general decline. The company has doubled its exports to the U.K. during the first six months of this year compared with the corresponding period last year, and reckons to have about 42 per cent. of the market.

As an appendix to this fairly encouraging picture, the 1976 harvest is likely to be of great quality. Moet reports that picking started early and was finished by mid-September. Yields, as well as quality, were excellent.

An average wine merchant can be expected to stock a range of champagne costing from just over £3 to perhaps £7-£8, though you can pay much more. He will also be likely to keep a range of cheaper sparkling wines, made by a variety of different methods, in a variety of different countries and costing a wide variety of different prices. Some approach champagne in quality; some approach it in price; several do both; quite a lot do neither, but nor do they pretend to be other than a cheap wine.

The choice is almost endless. Biggest seller in the U.K. is the French du Vernay, selling at around £1.90; next in line is Kriter (£1.69-£1.98), also French and made by the transfer method, which falls between the *methode champenoise* and the *cuvé close* processes in that the second fermentation takes place in the bottle. The company expects to sell ½m. bottles in the U.K. this year. And there are plenty of others, including Asti Spumante from Italy, a variety of Sekts from Germany, Cordoniu from Spain and so on.

Then there is sparkling cider, which at around 50p a bottle is a good substitute for more expensive wines, especially when you want to mix it with something else. Sales have shut upwards in the past year or two in spite of the introduction of excise duty on cider and perry for the first time last year. And as television viewers will recall from a *That's Life* programme earlier this year many people prefer cider at 50p a bottle to champagne at £4—or at least they do until told which is which.

Brandy and Liqueurs — Difficult times

BY ANTONY THORNCROFT

THIS IS proving another depressing year for the cognac trade. The only crumbs of comfort are that the fall in sales is probably less than in 1975 and that its great competitors, the grape brandies, are also finding life difficult. It is estimated that 1.2m. cases of cognac arrived in the U.K. in the past year, a dip of 300,000 from the early seventies peak. Grape brandies, which were imported at a rate of 150,000 cases five years ago, have now stabilised at 500,000.

The growth of grape brandies is not surprising. Calling themselves French brandy and selling in supermarkets for around £3.50 a bottle, over £2 less than a bottle of cognac, they have taken advantage of the spiralling cost of the real thing. To make matters worse every time the value of the pound sinks the pressure is on for another rise in the price of cognac.

It is unlikely that the leading cognacs will push up their prices before Christmas. A decline in sales of 12 per cent. this year, on top of the 15 per cent. fall after the July, 1975, price increase, and the knowledge that their smaller rivals have plenty of cognac in stock in the U.K., are inhibiting factors. They may even be spared a rise in the New Year since, for the third successive year, there is another large and good harvest in the Cognac region. Indeed but for the fall in the value of the pound the U.K. importers might have been looking for a price cut.

As usual hard times have favoured the market leader, Martell represented in the U.K. by Matthew Clark, which with over 40 per cent. of cognac sales, reckons to have pushed up its share of what business is going by 3 per cent. It is followed by Courvoisier, looked after by J. P. Phillips, which has just spent £150,000 on a summer promotion for its smaller sized bottles, and plans an even larger advertising campaign pre-Christmas.

If this materialises it could out-spend Martell, which is maintaining its 1975 advertising budget of £300,000. Couvoisier has probably pushed up its share of the business to well over 30 per cent., leaving Hennessey, from IDV, labouring somewhat in third place but well ahead of the rest of the market, in particular Heine, Remy Martin (now being pushed in Bass Charrington pubs), and Bisquet, each with about 5 per cent. of sales.

Although grape brandies have achieved good sales they provide little profit for their producers since they pay the same duty as cognac. But Three Barrels, the Allied Breweries line which is clear market leader, is repaying the marketing money invested in it, and has succeeded in holding off the challenge of White Swan from Calvert, Stock Original, made in Italy, and the Spanish Fundador, which both claim to be the "world brand leaders" in brandy.

While cognac has a fight on its hands, the other main after-dinner drink—liqueurs—are doing slightly better. The strong liqueurs, over 70 per cent. proof have not really recovered from the 1975 Budget, but among the cherry brandies, the advocaats and lines like Tia Maria sales are roughly in line with last year.

Liqueurs are worth £30m. at trade level and over £50m. once the restaurateurs have marked up prices. They are getting increased attention partly because advertising seems capable of improving sales—this is the experience of Cointreau—and partly because a liqueur can suddenly become fashionable. The best recent example is Courage's peach-flavoured Bourbon Southern Comfort.

There are also attempts to get liqueurs used in cooking (United Rum is stressing the attractions of Grand Marnier in this area) and in cocktails (Drambuie is increasingly drunk in this way). All in all the range in liqueurs, from the popular favourite cherry brandy to the 96 per cent. proof Green Chartreuse, makes it limiting to regard them as a single market. They have different potential, and are increasingly being sold to specialist groups of consumers.

Table wines — Drinkers trade down

BY KENNETH GOODING

ACCORDING TO Mr. Peter Noble, chairman of the Wine Development Board, "The first hurdle of establishing wine as part of the British way of life has been overcome. Consumption doubled in the early 1970s and has so far survived the most drastic inflation of duties in recent years."

Wine drinking in the U.K. is still confined predominantly to London and the South East which is, after all, the most cosmopolitan and among the more affluent parts of the country. With this in mind, the Wine Development Board, which is sponsored by most of the wine-producing countries of the world as well as U.K. shippers and retailers, has been spreading the gospel in the regions this year by, among other things, holding tastings in working men's clubs.

Last year table wine drinkers were paying on average about £1.35 a bottle. This year, in spite of roaring inflation, the average is only £1.41.

Apart from the drinker trading down because he cannot afford to pay so much, it has also been a time when there has been a great deal of surplus table wine washing around on the Continent and in the U.K. So the drinker who chooses by price has had plenty of "dumped" wine to pick from.

This has had a number of effects on the carefully made plans of the table wine shippers. To start with, branded wines—those wines blended to a particular style, quality and taste and sold under one name—have suffered.

Then the great expectations the trade had for the VDQS table wines *Vins délimités de qualité supérieure*) which are one step down in the pecking order of French wines from AC wines (Appellation d'origine contrôlée) were not fulfilled. For one thing there has been so much inexpensive AC French wine available to the British drinker that the price gap into which the VDQS types were supposed to fit just has not opened up. And then it must be said that the style of the VDQS wines is perhaps not very much to the British taste.

Most "plonk" drinkers prefer wine from the Northern Italian vineyards or even Spanish wine—for the Spaniards have had many successful years blending their wines to suit the British palate.

Sales of Italian wine have particularly benfited from this search for something that is cheap and cheerful. The shippers were among the first to offer the public wine in very large bottles—two-litre bottles are now common—and Italy has been the only country with a currency as weak as sterling so there has been no pressure on the price from exchange rate problems.

The cost of the average bottle of table wine, includes duty of 50p, bottling and freight takes a further 17p while distribution, promotion and profit margins and so on account for about 48p. VAT is 11p. This leaves the cost of the wine itself at only 15p.

What the wine traders would like the drinkers to take more into account is that most of those items are fixed and do not increase as the retail price increases—the exceptions being VAT, of course, and the cost of the wine itself.

So every penny extra you spend on a bottle of table wine can bring you a much superior quality of wine. Using the previous example, if you paid £1.56 for a bottle instead of the the "average" £1.41 the value of the wine would be doubled to 30p.

France is still the leading exporter of table wine to the U.K. Last year clearances from bond of French wine totalled 11.95m. gallons. Italy is now firmly established in second place but still sends us only half the wine that France does. Clearances in 1975 of Italian wine were just over 5m. gallons. West Germany, third in the wine popularity stakes as far as the British are concerned saw clearances at 4.17m. gallons last year.

And the British still seem to prefer white wine above all. Some 53.1 per cent. of imports last year were white wine, 37.4 per cent. were of red leaving just 9.5 per cent. for rosé.

Aperitifs — Keeping their end up

BY NICHOLAS LESLIE

FIGURES produced by Customs and Excise on clearances of wines from bond tend to generate considerable argument in the wine trade as to their accuracy in illustrating trends in the market. None the less, the statistics which relate to vermouth are such that it would be hard to interpret them as showing anything but growth over the past few years. The pre-meal drinks market has expanded appreciably and it is the vermouths which have carved out an enormous slice of it, with sherry holding its own well but undoubtedly feeling the draught from the fortified wines.

Between 1971 and 1975, clearances of vermouth from bond rose steadily from just over 3.6m. gallons to 11.55m. gallons. The biggest market share is held by Martini, followed by Cinzano; after that a number of others such as Noilly Prat and St. Raphael maintain a small but solid position. But over the past year there have been developments which may well alter the shape of the aperitif market.

One of these has been the introduction of new bottle sizes. A smaller 75 centilitre bottle now complements the 90 centilitre ranges and this, in terms of quantity, put it almost at the same level as a 70 centilitre sherry bottle.

Whatever the merits of the arguments, the change in bottle sizes has undoubtedly enabled the vermouth shippers to keep down the price per bottle of the wine (although this does not mean a reduction in price per fluid ounce), despite the heavier duty imposed by the Chancellor in the last Budget. A similar situation applies in the sherry trade, where bottle sizes have also been reduced by many shippers.

Another important factor in the vermouth trade has been the change in the way customs duties are assessed. New duty bands have been introduced as a consequence of the country's EEC membership resulting in the levy being assessed at a greater number of alcoholic strengths than previously. This gives the shippers greater flexibility and has also helped some of the smaller vermouth names in Britain in their efforts to counter the brand leaders.

In the sherry trade there appears to be some feelings of relief from the last round of duty increases in the Budget because it has resulted in retail prices moving closer into line with the traditional ratio which existed with spirits—one bottle of whisky to two bottles of sherry. In the battle between the true Jerez Spanish sherry and the Cyprus, South African and British sherries Jerez seems to be pulling up again after a series of price increases had affected the market.

The political situation in Cyprus is still hindering its wine trade, while for British sherries the Budget duty increases have weakened their competitive position. On the other hand, the South African sherries appear to be holding their own fairly well.

A wide range of bottle sizes is also enabling sherry shippers to sell to a wider market—1½ litres, 1 litre, 70 centilitres and 50 centilitres. And the new wine duties have led, for example, Harveys of Bristol to adjust marginally the alcoholic strength of a few of their range of over 20 sherries—although not its major brands such as Bristol Cream and Bristol Dry—with a resulting downward price adjustment.

Luis Gordon with its Pedro Domecq brand has made moves in the last year to widen its range with the introduction of Double Century Amontillado which has apparently been selling well and at the lower end of the scale a Spanish brand which is sold in 1⅓ litre bottles at less than £1.

Despite the relatively low-key state of the wine trade at the present time all the major vermouth and sherry companies maintain that they will be promoting heavily for the Christmas trade, which accounts for a substantial portion of their yearly trade.

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Making policy stick

EVEN last week the sterling exchange rate was floating freely downwards, especially after the seamen's pay claim had been settled on terms that suggested the risk of some easing of the rigour of the pay restraint policy. It had always seemed likely that the week of the Labour Party annual conference—when Left-wing members of the Party were bound to make strong criticisms of Government policy—would be a difficult one for sterling.

In the event, though the Prime Minister justified his Government's policies with some vigour, the Left made more noise and scored rather better than expected—beginning the week, for example, against the advice of the National Executive, by pushing through a resolution deploring the proposed cuts in public expenditure. Against such a background, and in the absence of effective official support, it did not take much selling to push the exchange rate down sharply further, with gilt-edged and equity prices falling simultaneously. On Monday the pound fell 2.5 cents against the dollar, on Tuesday it fell another 4.3 cents. The Chancellor cancelled at the last moment his visits to the Commonwealth Finance Ministers' Conference and the annual conference of the International Monetary Fund, and action of some kind became obviously imminent.

Fund credit

It was announced on Wednesday that the Government had applied to borrow $3.9bn., the remainder of its full quota, from the International Monetary Fund. Some borrowing would probably have been needed before the end of the year in any case, to repay part of the credit arranged by central banks last June but the timing and the size of the application to the Fund not only indicates the weakness of the external position—apart from the continuing balance of payments deficit, there have been large withdrawals of foreign sterling balances from London—but shows that the Government is ready to accept the conditions which the Fund will undoubtedly lay down in return for a loan.

The Chancellor addressed the Labour conference briefly on Thursday and made it clear, first, that comprehensive import restrictions were not, in the Government's view, a practical way out of our difficulties; and, second, that he hoped to negotiate with the Fund on the basis of existing policies. The conference, which had just voted overwhelmingly to nationalise a handful of large banks and insurance companies, then approved a resolution which supported the Chancellor's efforts to support the pound provided that they did not entail any further cuts in public expenditure. It is hardly surprising that foreign exchange markets remain in a highly nervous state and that gilts and equities have fallen still further.

Public spending

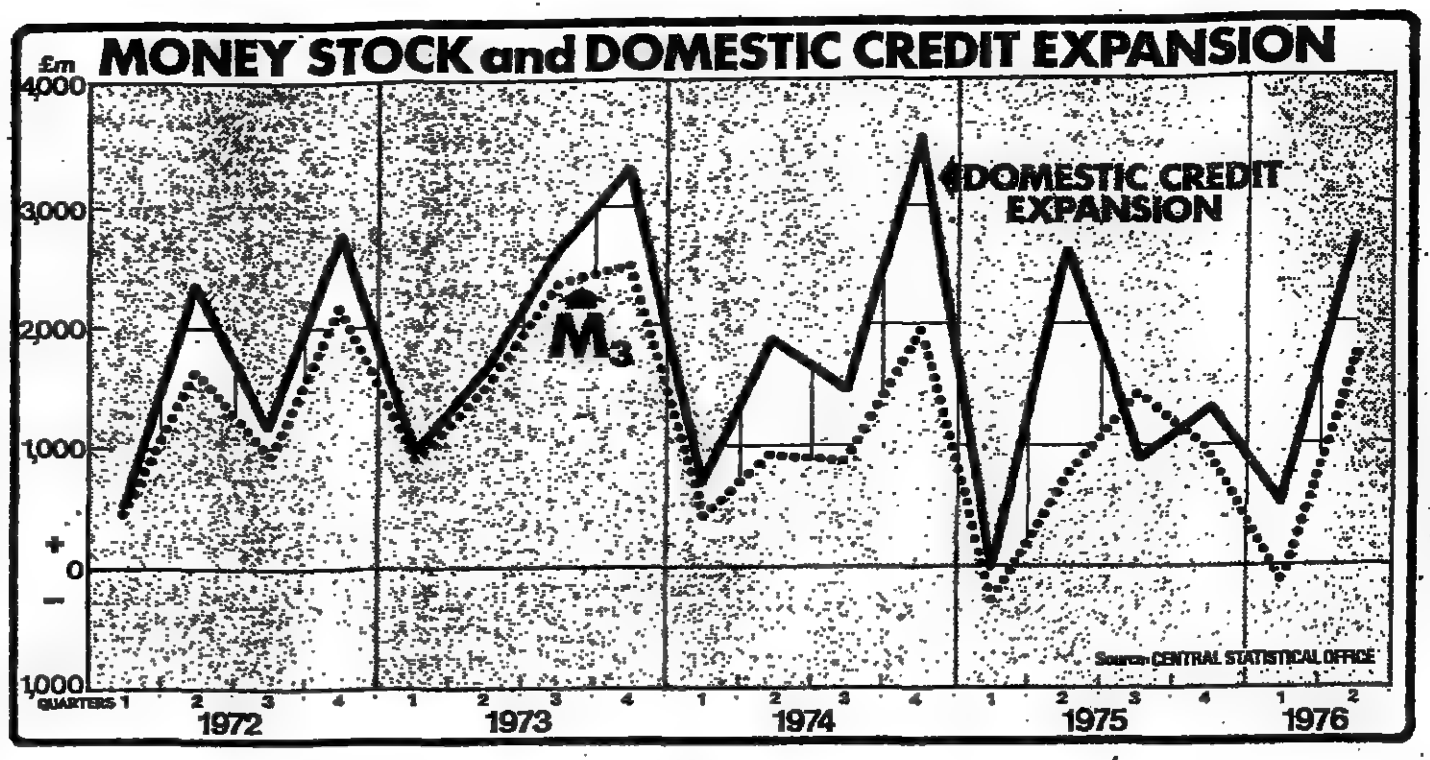
It will be some time yet before negotiations with the Fund take place and conditions for the loan agreed. The Fund officials may well be prepared, for obvious political reasons, not to insist directly on a further cut in public expenditure—though the failure to cut public expenditure quickly enough and far enough, together with the surprise decision to help reduce the borrowing requirement by raising taxation, is largely responsible for the critical attitude of the U.S. and Germany. But, on past form, the Fund will almost certainly require a definite limit to be set on the growth of the money supply—more precisely, domestic credit expansion, which amounts to the growth of the money supply adjusted for the balance of payments deficit—and will monitor our progress quarterly.

The Chancellor can hardly reduce his borrowing requirement by further increases in taxation, which would choke off investment (if imposed on companies) and trigger a new wage explosion (if imposed on persons). On the other hand, he cannot at the moment finance it by means which do not increase the money supply without pushing interest rates to a level which would make most capital investment unattractive. The setting of a definite limit on monetary growth may well reduce inflationary expectations and make the funding problem somewhat easier. But clearly the need to find further economies in public spending, whatever the attitude of Labour's Left wing, remains urgent.

Before the IMF team arrives, **Anthony Harris** explains the problems of domestic credit expansion

Living under surveillance of the Monetary Fund

THE team from the International Monetary Fund to study Britain's economic problems, and recommend terms for the £2.3bn. stand-by credit which the Chancellor has requested is not even due to arrive here for more than a month, and is unlikely to reach any conclusions in less than two. However, the City and the newspapers are already full of rumours about the final terms. The rumours are fierce; the Treasury denies the rumours. The Government claims that its present policies—which were, almost certainly, after all, discussed with our creditors before the July measures were announced—are already adequate. It is just a matter of enforcing them, it claims.



A harder concept

There is fortunately no need to join in this guessing game to get a fair idea of what is likely to be involved in managing the economy under the new conditions created by the collapse of sterling. The rumours themselves provide one pointer, whether any of them are true or not, for they suggest that any conditions which are at all likely to be imposed will fall well short of what a number of international bankers would think appropriate. It is therefore most unlikely that either the availability of the IMF stand-by, or the conditions attached to it, will in the short run restore confidence in sterling. In one sense, this simply reinforces the kind of conclusion which the Chancellor was suggesting to the Labour Party conference: the kind of policies which the IMF will demand are simply the policies which any Government would have to adopt if it wanted to defend the currency without retreating into a siege economy. The main technical tool is to impose a limit on the growth of domestic credit.

Domestic credit expansion (DCE) is designed to take account of the fact that when the balance of payments is in deficit, some of the increase in demand financed by the growth of credit will go overseas, and will not appear in the domestic money supply. A DCE *constraint therefore means that* the system works rather like a gold standard: an outflow of money should lead automatically to tighter conditions at home, unless the expansion of credit is allowed to overshoot.

However, the DCE concept, like the money supply itself, is a measure of monetary rather than of "real" events, and cannot be judged simply by adding the current account deficit to the growth in the money supply. This is because any foreign lending to the *private* sector (as opposed to foreign-owned sterling bank deposits) is not included in the DCE measure. But public sector borrowing abroad, or the attracting of foreigners to deposit their money in sterling accounts by means of high interest rates does count against the limit. So does bank lending in sterling to foreigners.

These apparent technicalities have some excellent results, and some which the City does not appear to have grasped immediately. Essentially, one result is to allow credit where it is due. Strategies which really do *help in the long run* can be pursued, but essentially short-term tactics—such as borrowing abroad to finance excess consumption, or for that matter trying to finance the deficit and support sterling by bidding for hot money—do nothing at all to reduce the demands of a DCE regime. This means that *some things which appear* worrying in conventional terms—notably, for example, the huge apparent current account deficits which emerge when equipment is imported for North Sea development—will not worry the IMF at all, because they are financed by long-term foreign investment in the private sector. On the other hand some things that may appear reassuring, such as the rise in sterling which can follow a rise in domestic interest rates, will not silence our critics in Washington.

We return, then, to the rather pleasant conclusion that the whole pressure of IMF advice will be towards driving the British authorities to seek long-term solutions to the weakness of sterling and the excessive growth of credit rather than short-term emergency measures. For example, the regime of 1974, when domestic monetary policy was quite tight, but the future was being undermined by an immoderate balance of payments deficit, will be regarded as unacceptable. The illusion of tightness arose from *ignoring the DCE figures.* The dangers which appeared in the second quarter of 1975, when an enormous inflow of foreign bank deposits enabled the public sector to borrow heavily from the banks without inflating the domestic money supply, will also be more immediately apparent.

Information problem

What kind of measures will be required? The first necessity of good management will clearly be to damp down the wild swings in both DCE and *monetary growth seen in the* chart. These are in fact symptoms of two weaknesses in the present system: slow information, and inherent instability.

The information problem will not be difficult to solve. At present DCE figures are published only quarterly, three months in arrears, but the Treasury has been moving towards a reliable monthly series. Money supply figures are available monthly, about three weeks in arrears; it is possible that we will move towards the American system of weekly figures.

However, no amount of information would make it possible to avoid nasty wobbles unless some more fundamental changes were also made. For example, U.S. officials have been highly critical of the British authorities for failing to check the growth of the money supply after the central bank stand-by credit was made available in June. In their view this was a "wasted opportunity" to take advantage of the credit. However, under British methods it was very hard to do *this. The authorities rely on* sales of Government stock, mainly to the pension funds and insurance companies, to check monetary growth when there is a large public deficit to be financed; but the very weakness of sterling which had necessitated the stand-by also depressed sentiment in the gilt-edged market. It can thus be seen that cause and effect work here in both directions. Excessive credit expansion—helps to weaken the currency; but the weakness of the currency actually encourages the expansion of credit. (People always want to borrow weak currencies.)

What is required, in short, is a much more dependable means of funding both the Government's running deficit, and the accumulated past deficits which are represented by overseas holdings of sterling. The existence of large sterling balances in liquid form tend to make sterling itself more unstable, since holders very naturally try to switch into other currencies when sterling is weak—OPEC holders alone, for example, have probably switched as much as £2bn. in the last 18 months. The conversion of these balances into some more stable form is now seen as an urgent necessity.

The details of these moves would only be of academic interest to domestic investors—though their result, a considerably more stable pound, would be extremely welcome. However, it is also clear that domestic investors, just like foreign ones, are disenchanted, and may need some other form of security to tempt them to provide long-term funds for the Government. One suggestion which has recently surfaced in the City is that a gilt-edged stock denominated in dollars or SDRs might be very appealing.

This is, in fact, highly unlikely to happen; the Bank of England understandably hates the thought of a bond which would admit in cold print that investors even in Britain could no longer stomach sterling. However, two other proposals which would have a somewhat similar appeal are being quite actively studied: a floating-rate bond, which investors could buy without fear of capital loss if interest rates rose; and a bond indexed in some way, to give some protection for income and possibly for capital against future inflation.

All these proposed novelties would share one great virtue: they would appeal to investors at precisely the times when they are reluctant to buy existing fixed-interest securities, and would therefore make it possible to keep much tighter control over liquidity. The indexed bond and the foreign currency bond would have a second virtue: they would pay much lower coupons (possibly as low as 2-3 per cent. for an indexed bond), so that if they were bought in large quantities, a very significant saving could be made in public expenditure. Next year, for example, nearly £7bn. of the projected £9bn. borrowing requirement is due to the payment of debt interest. A large conversion into indexed stock would reduce this figure substantially—by up to £120m. for every £1bn. of stock sold.

Again, this is a relatively long shot (though it does show that our problems do not have to be solved entirely by acts of physical austerity); but the problem of debt interest does underline the fact that any method of control which does not involve high interest rates is appealing.

On the face of it, it is nonsense to talk of restricting monetary growth while holding down the cost of credit. But as long as private demand for credit is very subdued (and it seems that the recent burst of industrial borrowing was only a passing phenomenon due to the decline of sterling) it could make sense. So long as interest rates are not forced down to a level which provokes an explosion of private borrowing, the Government might very well get away with it.

The fairest method

Offering investors some real security is certainly the fairest method of achieving this result, but the Government is likely to be tempted by other methods. Thus, the monetary impact is the main merit of the much-discussed proposal to impose import deposits. This would provide funds for the Government—a little more than £1bn. for consumer goods alone, but anything up to £3bn. if the scheme covered 40 per cent. of all imports, as did the scheme imposed in 1968. It would tighten credit at home, attract some finance from overseas, and marginally help the trade balance.

The trouble with an import deposit scheme is not only that it has in the end to be unwound, and the money returned; it is also that the funds come from industry and commerce and squeeze working capital rather than tapping savings. There is then bound to be an adverse effect on investment and prices. There will also be a temptation to go for other measures which have even less to commend them—direction of investment by the institutions (a lively rumour yesterday, and actually favoured in some quarters in the City), direct limitations on bank lending, and the large, routine use of special deposits.

The test which our creditors will want to apply to all such proposals is whether they are likely to do any good in the long term, rather than simply produce some apparently impressive monthly statistics. Their hopes will be the same as those the Government professes—to see an improved balance of payments and rising investment. The Chancellor has said that he welcomes IMF surveillance; in the long run the country as a whole may have cause to be grateful too.

Letters to the Editor

Steel and Cardiff

From the County Industrial Development Officer, South Glamorgan.

Sir,—Your report of September 22 regarding iron-making problems in British Steel Corporation's Scunthorpe complex ("More BSC Output Lost") highlights once again how serious the hot-metal problems associated with BSC's ten-year strategy are. The report says: "The only long-term answer is to build a large Llanwern-style furnace. Scunthorpe will be pressing for the inclusion of such a scheme in BSC's rolling five-year plan next year."

Good luck to Scunthorpe, too, *but it should not be forgotten* that the original justification for the Anchor scheme was that the iron-making capacity was already available, so you only needed to modernise and double steel-making capacity and the Scunthorpe complex would (a) match the best in Europe at very low capital cost and (b) replace the output of Irlam and East Moors.

Now it appears that the extra output can only be achieved if new iron-making on a massive scale and costing perhaps £100m. is built. There is no mention of such investment in the ten-year strategy and there was no mention of it in the East Moors closure brochure, in which BSC based its cost comparisons of delivering billets to South Wales from Scunthorpe compared with Cardiff on the Scunthorpe complex as it stands to-day. When specifically challenged at meetings in Cardiff on whether Scunthorpe could produce the extra billets to replace East Moors' output without new iron-making capacity, BSC gave an unqualified affirmative answer.

Based on your report, it would now appear that at works level in Scunthorpe, and they ought to know, BSC wants to go back on that affirmative answer. This *would then imply quite different* cost comparisons between East Moors and Scunthorpe for producing billets for the South Wales market. I am not seeking to argue against spending £100m. on new blast furnaces at Scunthorpe, but when BSC is doing its sums, it should remember that, on top of the Irlam closure, Cardiff is due to lose 4,000 jobs because someone in BSC Scunthorpe made a wildly optimistic assessment of Scunthorpe's output capacity post-Anchor scheme.

BSC's East Moors workforce and the local community dependent on the steelworks have a right to be told now whether BSC's justification for the closure of East Moors could still be held to be valid. Deep scepticism has always prevailed in Cardiff about the wisdom of closing a coastal steelworks such as East Moors, one of only three in Britain, and the only one in the billet market, and switching output destined almost entirely for the South Wales market to an inland works dependent on problem-ridden home ore in Eastern England 230 miles away. The new chairman of BSC may well think it appropriate to re-examine closely the billet segment of BSC's ten-year strategy.

Rhodri Morgan.
County Headquarters, Newport Road, Cardiff.

Headhunting

From The Managing Director, Heidrick and Struggles.

Sir,—Sue Cameron's report (September 21) on the British Institute of Management's Information sheet "Using executive search consultants" requires some comment.

Certainly additional money may be one of the major reasons why executives change their jobs. If they are good there can be little objection to them trying to improve their standard of living even in Socialist Britain. For your readers' information the average increase sought is normally between 15 to 20 per cent., but if the location is unattractive or if there is a definite risk element, the salary motivation may have to be higher. Again this motivation factor will apply to whatever recruitment process has been used.

The BIM does seem to have missed completely that executive search will generally produce a much better quality of candidate. The cost of the service must be related to the results obtained—and there is plenty of evidence to show that executive search is the most cost-effective method of filling senior posts from outside a company.

In statistic terms the number of senior executives who are suitably qualified for a particular post is extremely low. These men may not see an advertisement or may not feel inclined to reply to it. The direct approach method used by executive searchers does ensure that the most qualified candidates are aware of the opening though of course the option to say no is always theirs.

On the question of "expenses" charged, the major cost is for candidates' travel expenses and long distance telephone calls. These would be incurred whether the future employer handles the recruitment himself or passes it *to an outside consultant. It is* interesting that in our last financial year average expenses billed to clients was only some 6 per cent. of fee income and a sizeable proportion of our assignments were for overseas posts in countries such as Iran, Brazil, South Africa and the United States. Undoubtedly, one of the reasons for this is the searchers ability to home in quickly on suitable candidates as they are not relying on the more random sampling process which advertisements tend to result in.

The best executive search firms provide an effective, fast and competitive service. The fact that some 70 per cent. of our business is from client companies previously served is the best possible proof that, in terms of the result obtained, executive search is not "a costly way of filling jobs."

David W. Diehl,
41 Dover Street, W1.

Fishing

From Mrs. E. Young.

Sir,—You suggest (Leading Article, "Mr. Crosland's Bluff," September 22) that the Soviet Union and other East Europeans who are fishing off the British coast "would be perfectly correct if they chose to insist that a unilateral British or Community declaration was illegal," and that if the British Government were to "send in the frigates against the Soviet trawlers," what if "the Russians were to respond in kind?"

If the Russians were to "insist" on any such thing, they would have to do so wherever 200 nautical miles fishing limits are being declared—that is in all of the world's oceans. In practice, they have long since accepted such limits in Latin America (where they are universal), and they submitted last year to Canadian and United States demands in *their* putative 200 miles zones; and will be doing the same to all the other "200 nautical mile extenders" in the months ahead. (They also maintained, during the Cod War, that the U.K. was quite in the wrong to use force.) The alternative to accepting 200 nautical mile fishery limits, as they have well understood, is that in the long run they will get no fishing rights at all in zones where they refuse to co-operate now. This was, I believe, the threat the Canadians used so effectively last year.

As to how we keep them out, policing within a fishing zone is a domestic affair: it is an *exercise of the civil, not the* military, power. *If* the frigates have to be used—and frankly other vessels would be more appropriate—they will be acting in support of the civil power, and providing it presumably at the request of the Home Secretary. Any attack on them acting in this role by the Russians would be interference in the internal affairs of the U.K., and would put the Helsinki agreement at risk.

Elizabeth Young,
100, Bayswater Road, W.2.

Education

From the Chairman, Kent County Council Education Committee.

Sir,—I welcome the opportunity to correct some errors in *Mr. Roland Freeman's* letter (September 24) concerning devolution and the education services.

I hope I would not be so arrogant as to claim that Kent is the very optimum size for an education authority. Of course there is a wide band roughly represented by the shire counties of which Kent is one. Mr. Freeman suggests that the "ancient boundary of Kent" represents the area of the Kent education authority. Of course it does not and has not for very many years. Perhaps if it did we might be able to help London out of some of its difficulties! Indeed, the present area covered by Kent was *finally decided in "the 1970s,"* to use Mr. Freeman's own phrase. The boundaries, with the sea on two sides, London on the third and open country on the fourth, are in fact very good boundaries, much more clear and logical than those of any London borough.

Whether or not the Kent County Council is a good education authority by national standards is for others to judge. I am sure like most authorities we have what others would view as strengths and weaknesses. But does not Mr. Freeman see the gross error in the logic—"William Tyndale is bad: therefore Inner London Education Authority is bad: ILEA is large: therefore large education authorities are bad'"? What I would claim is that we have no William Tyndales in Kent and that, if in the future we did have one forming, our administrative and member machinery could and would deal with it. In saying this I am not commenting on anything ILEA has done or has not done. Conditions there, social, political, etc., are quite different from those in a shire county which in our case has only half the population of ILEA. I am sure I speak for many in the rest of England when I say we are really getting rather tired of broad generalisations being made on the basis of what happens or doesn't happen in quite different circumstances in Greater London or for that matter in Scotland or Wales.

I would defend the autonomous nature of our universities. Kent does not "lay claim" to the *University of Kent at Canterbury* but this is no reason at all for the very large existing local authority sector in higher and advanced further education being handed over nationally to new regional councils and for the links between this sector and the remainder of the local authority responsibilities being administratively severed. Any severance in "the 1970s" would be educational nonsense.

J. A. Lawton,
Kent County Council, Springfield, Maidstone, Kent.

Hotels

From Air Commodore The Hon. P. Vanneck.

Sir,—As some one who has a small pad in the upper Dordogne, I was so interested to read John Cherrington's article "Scotching an image" on Saturday. Travelling to and fro to it as we do several times a year I can completely confirm the surprising cheapness one can achieve going through France. Although I cannot speak about Scotland, the climate never having encouraged me to travel there!

I would just comment, however, on his phrase "Because French hotels don't insist on guests eating in, it is possible to shop around." The Michelin Guide does still define between hotels prepared to provide for the overnight guests who are not taking dinner and the large majority who do certainly expect you to dine where you are going to sleep.

In the interest of good relations with the hotel trade I do think it is important that travellers should realise this.

P. Vanneck,
Rowe and Pitman, Hurst-Brown,
1st Floor, City-Gate House, 39-45, Finsbury Square, E.C.2.

Sinister

From Mr. P. Tarrant-Willis

Sir,—I suspect that the story in your Observer column (September 29) about the 2.1 times increase in the rent charged by the London Borough of Brent on the offices of its own senior rent officer is not merely ironic.

Could it be that the new rent, estimated to be £9,000 per annum above the maximum fair commercial rent, will be taken by the Inland Revenue as the yardstick with which to beat local businessmen at the next rating revaluation? Has Observer stumbled on something sinister?

Peter Tarrant-Willis,
20, St. Ann's Villas, Royal Crescent, W.11.

Much ado but no dividing issues

CAMPAIGN full of innuendo …d abuse has led up to the …neral election in West Ger…any to-morrow. Because its …tcome is truly unpredictable, …d because the contestants are … similar that they cannot …anufacture rhetoric from the …sues that divide them, both …les have attempted to dredge … differences of a darker time.

…Six weeks ago there were few … Bonn who predicted that Herr …elmut Kohl and the Christian …emocrat party (in harness …ith its Bavarian section, the …SU) would beat the Chancel…r, Herr Helmut Schmidt, and …e coalition of Social Demo…ats (SPD) and liberal Free …emocrats (FDP). The net …fect of the election campaign …as been to reduce Bonn to …ter uncertainty. In this …spect the Christian Democrats …DU) have won the battle; it … difficult to believe that they …ave won the war.

Deadheat

The last published polls, …athered two weeks before poll…g day, foresaw a tiny majority …f 51.1 and 51.5 per cent. for …e coalition with 11 per cent. …f those questioned still un…ecided. Since that time there …as been the fall of the social …emocrats in Sweden and fur…er unpublished polls predict…g a deadheat with both sides …king between 49 and 50 per …ent. and smaller parties the …inuscule remainder. So there … a chance that even when the …ount is completed on Monday …orning we still shall not know …ho will next rule in Germany.

Four years ago the then-…hancellor, Herr Willy Brandt, …ed the SPD-FDP coalition to a …econd term of power on the …motional issue of his Ostpolitik …reaties. His own party, the …PD, became the largest party in parliament for the first time since the war: it took 45.8 per cent. of the vote to the 44.9 per cent. for the CDU/CSU, and the FDP clinched the matter with 8.4 per cent. to give the coalition an overall majority of 54.2 per cent.

The coalition has been under siege ever since. In a number of elections in the federal states it has only just managed to hang on to power. A political intrigue earlier this year actually shifted control of Lower Saxony to a minority CDU administration. The SPD went through the crisis of the Guillaume spy affair that caused Herr Brandt to resign in May, 1974. The Free Democrats began to look increasingly uncomfortable in coalition with the SPD.

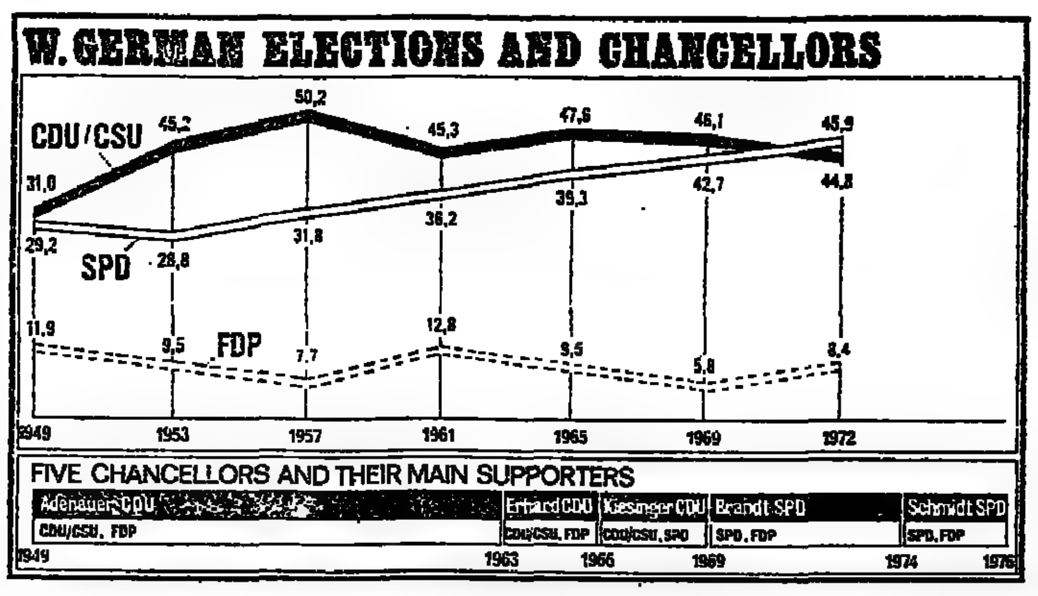
It was largely because Herr Schmidt succeeded Herr Brandt and instilled less of a left-wing flavour into the SPD and dealt confidently with recession and with terrorism that the FDP's leader, Herr Hans-Dietrich Genscher, the Foreign Minister, was able to pledge his party's allegiance to the SPD for the election campaign that has just ended. The left wing of the SPD has remained curiously mute.

Mud slinging

It has been a strange campaign. To the very end no issues emerged of which it may be later said that "such and such was the linchpin of the 1976 election."

The excitement has been provided by the "Battle of the two Helmuts" for the office of Chancellor, with supporting casts that included the brilliant and unpredictable right winger, Herr Franz-Josef Strauss, the avuncular (and rather too self-effacing) Herr Brandt, and the FDP's "vote for performance" quartet of Ministers, Messrs. Genscher, Hans Friderichs (Economics), Werner Maihofer (Interior), and Josef Ertl (Agriculture). As the battle wore on an increasing amount of mud slinging took place. Herr Schmidt's allusion to the Nazis as the "spiritual predecessors" of CDU politicians was only one example.

Herr Kohl indulged in less personal abuse but methodically raised the spectre of Soviet Communism behind the coalition's image. His speeches struck a chord with many listeners, not by presenting the facts or the policies they wanted to hear, but by advocating those values that they believe in—industriousness, punctuality, patriotism, reliability, and disdain of the pseudo-intellectual.



Memorable

Herr Schmidt was much more the thinking man's speaker. The most memorable elements of his performance were his confident assumption of victory, his constant attack on Herr Strauss as a man to take "very very seriously," his emotional portrayal of the CDU as a danger to peace, and his 30-minute lecture on the pre-war recession and how a recurrence was avoided in 1975.

The Chancellor was allowed to take credit for his crisis management during the recession. He was not asked to bring the record up to date or to explain the "breather" that the German recovery has been taking since mid-summer. West Germany is now looking to its partners for growth and is generating little itself. The indicators are sharply down in the U.S. In France, Italy, and Britain there are balance of payment restraints on expansion. It will be surprising if the economic consensus reached at the IMF meeting in Manila next week is unreservedly bullish.

Although the struggle between the two candidates has been the most visible feature of this election, it is really an underlying political trend towards the Right in West Germany that is the main reason why its outcome will be so close. The last four years have been a tale of regional upsets for the coalition usually (but not always) narrowly averted. To-day there are question marks over the SPD's support in several areas without compensating doubts about the CDU's support in other parts of the country.

The situation in the state of Hesse is a key example. In the last election the SPD got 48.5 per cent. of the vote and the CDU 40.3 per cent. In this bastion of Social Democracy. Since then the huge financial troubles of the Hessische Landesbank, the central bank for the state's network of savings banks, have come to light. The case involves what in Britain has been called "the unacceptable face of capitalism"—foolhardy investments, expensive real-estate flutters, dubious political loans—but all under a Social Democratic administration. This management, coupled with a programme of school reform which was too left-wing for the local electorate, has wiped out the coalition's lead in the state.

Indignity

The Hesse SPD has managed to delay the real indignity until after the election—the removal of the Prime Minister, Herr Albert Osswald, who is also president of the Upper House of the Bonn Parliament. The local FDP is under strong pressure from the CDU to cut its ties with the SPD there and to form a conservative-liberal coalition.

The problems of Hesse are worth mentioning because the tale involves a problem of image that afflicts the SPD across the country. The CDU campaign manager, Herr Kurt Biedenkopf, has drawn attention to *Filzo Kratie* (felt-ocracy), an untranslatable term, which conjures up a thickly interwoven web of influence between Government, bureaucracy, unions, and management of State enterprises — a sort of Socialist old-boy net.

The Social Democrats have an insurance policy in the Free Democrats. They are a phenomenon to British observers not accustomed to proportional representation. Since the war the FDP has never had more than 13 per cent. of the vote, and in 1969 its share dropped to just above the minimum of 5 per cent. required to return members to the Bundestag. On this slender basis they have held the balance of power for a total of 18 post-war years, taking the Right edge off the CDU and the Left edge off the SPD.

The Free Democrats have no constituency members in Parliament. Their 41 MPs are all there thanks to proportional representation and the FDP's 8.4 per cent. share of Second Votes in 1972. These Second Votes in fact determine the final party make-up of the Bundestag. After seven years in harness with the SPD it is clear that much of their support comes from SPD voters who have given their first vote to the local SPD man for the constituency seat and their second PR vote to the FDP — a vote for a moderating influence. It is a source of hope for the coalition that to-morrow voters, disenchanted with the SPD but impressed by Herr Schmidt and Herr Genscher, may solve their dilemma by voting for the FDP.

What if the coalition loses? In the case of a dead heat between it and the CDU, the FDP might be forced to team up with the CDU. Herr Kohl would be Chancellor, and Herr Genscher Vice-Chancellor and Foreign Minister. Internally this would be a delicate situation because of the basis of the FDP's support. The FDP would have to go through a painful change and there might well be defections in Parliament. Externally, the presence of the FDP would ensure only a very gradual change from present policies.

If the CDU gets an overall majority, Germany could have its first one-party Government since the war. Internally, German politics would become much more lively. With the SPD in opposition its left wing would probably come out of its torpor of the last year.

There is little in the pre-election manifestos to suggest that the CDU would bring much change in external relations, and one is assured in Bonn that for all his reputation Herr Strauss, the prospective Finance Minister, becomes a very reasonable man when faced with problems of office. Yet a change might take place whether the CDU sought it or not. West Germany is already a model of imaginative conservatism in the eyes of the rest of Europe and the ascendancy of the CDU would accentuate that. CDU politicians constantly stress their Europe mindedness, but one cannot help feeling that Herr Kohl's Germany would be even less willing to adapt the effective German system to European trends than Herr Schmidt's Germany has been.

Television

On Thursday night the four main figures in this campaign argued for almost four hours under television lights. Their styles crystallised the impressions of the campaign. Herr Schmidt was clever and aloof—a rather crushing university don. Herr Strauss's mind worked at lightning speed, scoring several palpable hits on the Chancellor. Herr Kohl reinforced his "good guy" image. Herr Genscher came off well—a good humoured repository of common sense between two bitter rivals.

Herr Schmidt quoted Herr Kohl's praise earlier this year of Germany's political and economic position in the world, "Never have Germans come closer to the aim of a just and humane co-existance than in the Federal Republic in its development till now." What could the challenger say? What can anybody say? Yet here is the rub for Helmut Schmiot: there is no crisis for him to manage; there is no issue for him to ride upon. To-morrow, comfortable people will be making a comfortable choice. No one knows which way their whims will take them.

LABOUR NEWS

Jones makes attack on 'financial UDI'

BY CHRISTIAN TYLER, LABOUR STAFF

…N ATTACK on politically moti…ated men in high finance came …esterday in the wake of the …terling crisis from Mr. Jack …ones, general secretary of the …ransport and General Workers' …nion.

Mr. Jones, writing in his …nion's journal, the Record, …nder the headline "Now who …are the wreckers?" says that …here is deep and widespread …nger in the home and on the …hop floor at the lack of Indus…rial investment.

"People feel their sacrifices for Britain are being mocked by a combination of powers beyond their reach and when they read about the financial acrobatics of the Slater Walkers and their kind, they feel bitter and betrayed."

Not all companies were guilty of what Mr. Jones calls this private UDI — Unpatriotic Denial of Investment."

Some were investing and the Confederation of British Industry had joined the TUC in trying to persuade the Government to introduce tough, selective import controls.

Now, employers had to persuade "the big banks and the big money boys that the cry for 'big profits first' is inflationary, unreal and damaging."

Mr. Jones renews the call—contained in the TUC-Labour Party social contract document endorsed at the Labour Party conference this week—for a levy on all firms' profits to help the National Enterprise Board's investment work.

Big banks and financial bodies must "come into the net of public planning and social control of one form or another."

Abstention

Mr. Jones does not speak of nationalisation—and his union abstained on Thursday's conference vote to seek nationalisation of the big clearing banks and insurance companies.

Asking who were the wreckers of national unity, Mr. Jones, says that "politically motivated men in high finance will provoke an opposition greater than themselves if they persist in wrecking this nation's future."

Rees refuses to regard police as special case

…Y CHRISTIAN TYLER, LABOUR STAFF

…OLICEMEN WERE told by Mr. …lyn Rees, Home Secretary, …terday that they had no …nce of becoming a special … under the pay policy.

…r. Rees said that the economic …is was too grave for excep…s to be permitted, but he was …y to meet the Police Federa… to hear its grievances.

…olice negotiators have left the …onal bargaining machinery …rotest at the refusal of the …loyers to concede a £6-a-week …ings rise under the last pay …cy.

…e Home Secretary yesterday …ffect endorsed the employers' … that they must settle under … 6 per cent. limit since their … deal—including rises of …ly 30 per cent.—took effect … September 1, last year, a …th inside the £6 policy.

Mr. Rees said that the Police Federation must settle with the employers, not himself, and would gain nothing by taking pay discussions out of the bargaining machinery, the Police Council.

Firemen reject blaze calls

BELFAST FIREMEN yesterday carried out their threat not to deal with fires started by terrorists until they are paid £5 a day danger money.

They refused to tackle two blazes started by car-bomb explosions. A policeman injured his hand in putting out one of the fires.

…wo print unions agree …n advertisements row

…Y OUR LABOUR CORRESPONDENT

…O PRINTING industry unions, …d by the TUC, have reached …rim agreement in a demar…on dispute which has been …ng advertising agencies.

…e dispute began when the …ional Graphical Association …ded to black all work which … not originate from its …nbers. It intensified when … Society of Lithographic …ists, Designers, Engravers … Process workers decided it …ld have to take similar action …lefend its members from the …ciation's action.

…fter meetings under the …pices of the TUC printing …stry committee, the unions …e agreed to set up a joint …mittee to examine certain …sdictional problems between …n including those in studios … advertising agencies in which both declared an interest.

As these talks go work which traditionally has been carried out by members of a TUC-affiliated union will be regarded as coming from recognised sources.

In addition, both unions will continue to recruit in the disputed area but for the next three weeks contributions will not be accepted and application will be lodged with the TUC, which is to be brought in if any problems remain unresolved.

● The Sunday Telegraph hopes that an offer of improved payment to London members of the Society of Graphical and Allied Trades for handling the new colour magazine will signal the end of industrial action which has disrupted London distribution.

Chemical sector investments downgraded 10%

BY RHYS DAVID, CHEMICALS CORRESPONDENT

THE DEPARTMENT of Industry has revised downwards by 10 per cent. its figures for capital investment by the chemical industry in 1975. It also forecast a further drop during the rest of this year.

The Department's latest issue of Trade and Industry puts total investment last year at £270m. in constant 1970 prices compared with the £300m. figure put forward as recently as July. Expenditure in 1974 has also been revised downwards from £241m. to £223m.

A similar drop has now been accepted by the Chemical Industries Association which, on a sample of companies, also estimated last year's expenditure by the industry at £300m.

The association now believes its sample, which included mainly bigger companies, failed to consider the degree to whch smaller companies cut their spending last year during very depressed sales and greatly reduced liquidity.

Difficult

The pattern in the first six months of this year suggests the industry is still finding it difficult to come up with sufficient funds, or attractive projects, to lift its spending levels.

In the period investment fell by 6 per cent., compared with the average for last year. This is roughly in line with predictions made by the Department of Industry, but in contrast with the more optimistic forecasts of a higher level of spending made by the association earlier this year.

The association believes that increased working capital needs have led to some slippage in investment.

Output in the first half has in fact been about 7.5 per cent. up on the average for last year and the Department suggests that, taken with the recovery expected in the remainder of the year, overall output could be about 10 per cent. up on last year.

Most of the increase in demand, particularly in the second quarter, has come from exports, with home trade remaining sluggish. But there are some signs of an upturn in home trade, probably during the course of next year.

Exports remained virtually the same in the second quarter in volume after rising by 16 per cent. in the first quarter.

In spite of continuing spare capacity in the U.K., and rising demand around the world, imports rose by 4.5 per cent. in the second quarter by volume and by 10 per cent. in value.

Imports in the first half came to £985m. against exports of £1.518bn.

U.S. moves to stop Alaska oil exports

BY STEWART FLEMING AND JAY PALMER

NEW YORK, Oct. 1.

MR. FRANK ZARB, head of the U.S. Federal Energy Administration, strongly urged the U.S. Government to-day not to allow Alaskan oil to be exported when production begins next summer. "It is not in the nation's best interest to let their oil go abroad," Mr. Zarb insisted.

Surplus foreseen

His statement came two weeks before the expected publication of a lengthy study by the Federal Energy Administration of the various transport options to carry the Alaskan oil from California to the rest of the U.S.

It has already been forecast that California cannot absorb the anticipated North Slope production of 1.2m. barrels a day, rising to 1.5m.

The study is known to suggest that the Californian surplus of Alaskan oil will be at least 600,000 barrels a day in 1978 and 1.3m. in 1985.

The surplus arises partly because the increase in demand for petrol in California has slowed down since the Arab oil embargo. Another factor is the shortage of capacity for removing the high sulphur content of Alaskan oil. The main plant for this available for Alaskan crude is operated by Standard Oil of California.

Standard Oil of Ohio, BP's partner on the North Slope, is chartering small tankers to carry some oil through the Panama Canal to the Gulf of Mexico. Under U.S. law only tankers owned, crewed, and built in the U.S. can carry cargo between one U.S. port, such as Valdez in Alaska, and other U.S. ports.

More of the surplus could be carried to the Middle West by pipeline. Sohio has plans for a pipeline to do this, but it will take well over a year to complete. Californian Environment officials are opposed to these plans.

Last word

Thus the companies producing oil in Alaska face at best an interim period when they will not as things stand at present have a U.S. market. The prospect of overseas sales has been raised by some of the companies, but now Mr. Zarb appears to be shutting the door on this option.

The last word, however, will be with the President and with Congress, which can, under the Alaskan pipeline laws, allow some oil to be exported.

Otherwise the companies face the prospect of restricting production.

Economic Diary

TREASURY publishes U.K. official reserves for September on Monday.

Other events and statistics next week include:

MONDAY—Meetings in Manila of the International Monetary Fund and International Bank for Reconstruction and Development. Special meeting of the European Commission to consider fall in sterling and food subsidies—proposals will be placed before EEC Council of Agriculture Ministers meeting in Luxembourg. Capital issues and redemptions (during September). CBI monthly trends (September). Hire purchase and other instalment credit business (August). Retail sales (August—final). Investment intentions of the manufacturing, distributive and service industries (1976-77). Meetings of CBI employment policy and taxation committees.

TUESDAY — Conservative Party Conference opens in Brighton. CBI economic policy committee meets. Provisional figures of vehicle production and estimates of new car registrations (September).

WEDNESDAY — Prime Minister attends British Institute of Management Council dinner, Hilton Hotel, London. Mr. John Methven, director-general, CBI, speaks at Northern Ireland Region annual lunch, Belfast. CBI smaller firms council meets in Bristol. London clearing banks' monthly statement (mid-September). U.K. banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-September).

THURSDAY — U.S. Civil Aeronautics Board expected to introduce new rules on trans-Atlantic charter flights.

FRIDAY—Meeting of Council of the Building Societies' Association to discuss new interest rates structure. Personal income, expenditure and savings (second quarter) and gross domestic product (second quarter).

COMPANY NEWS + COMMENT

Lake & Elliot profit tops £2m.

WITH TURNOVER increasing from £15.89m. to a record £18.29m., iron and steel castings manufacturers Lake and Elliot made peak pre-tax profits of £2.03m. for the year ended July 31, 1976, against £1.56m.

As forecast the final dividend is 2.0085p net per 25p share on increased profit making the year's total 3.4385p against 3.12809p. Earnings per share excluding extraordinary items are given as 10.62p against 7.95p (adjusted for rights issue). Last year's figure would have been 9.89p if an extraordinary credit of £166,000 were included.

Tax charge was £1,027,000 against £866,000, and there were no extraordinary items this year.

Mid-term pre-tax profit was £1.01m. (£609,000).

	1975-76	1974-75
	£000	£000
Turnover	18,290	15,888
Profit before tax	2,027	1,556
Taxation	1,025	866
Extra-ord. credits*	—	166
Dividends	294	207

* Profits on sale of land (net of tax £150,000).

The directors say the rights issue of January, 1976, improved liquidity and paved the way for expansion.

Despite the adverse effects on second half results of a prolonged strike at Cockburns (now ended), and some decline in order pattern at the beginning of the period, the directors are confident of further progress in 1976-77.

● comment

Slack demand in the engineering industry plus a nine-week strike at Cockburns put paid to Lake and Elliot's growth hopes in the second half, when profits were the same as the first half's £1,01m. After a £0.7m. deficit, Cockburn is still a lossmaker, but the hope is to come out square at the end of this year. The net result was that while the foundry side raised profits by £½m. to £1½m., the engineering side stayed static at £½m. The shares were marked down 6p to 41p but it might be premature to regard the company as ex-growth as suggested by the yield of 13½ per cent. and p/e of 3.7. Exports, particularly to the U.S., are growing rapidly (up £0.7m. to £3.2m.) and while orders have shortened to 2-3 months work (against 8-9 months previously) there is no short-time working. Any pick-up in the engineering industry would have a sharp impact—and apparently the new year has started well.

Beaver looks to second half

ON TURNOVER increased from £1.63m. to £2.54m., pre-tax profits of Beaver Group fell from £160,000 to £119,000 for the half year ended June 30, 1976.

The directors state that although the results for the first half are disappointing, they look forward with some caution to an improvement in the second half.

Interim dividend is unchanged at 1p net per 25p share. Last year's total was 2.52625p from profits of £286,100.

The group's interests include the manufacture of paint, building chemicals and colorants, and the provision of management services.

Slater Walker Trust mergers

Unitholders in Slater, Walker Capital Growth Unit Trust, Slater, Walker Century Trust, Slater, Walker Provident Investors Trust, Slater, Walker Security First Trust and Slater, Walker Growth Trust have been sent details of a scheme of amalgamation for these five trusts.

Subject to the approval of the scheme by the unitholders of the trusts at meetings to be held on Wednesday, November 10, the five trusts will be merged and Slater, Walker Growth Trust will continue to be an authorised unit trust.

The Scheme of Amalgamation is the eighth in a planned programme of mergers of funds wtih similar investment objectives which, following Slater, Walker trust management's acquisiton of the management of the Jessel Britannia, and the National Group of unit trusts, is being undertaken throughout 1976.

FC Finance halftime progress

TURNOVER OF F.C. Finance for the six months to June 30, 1976, is up from £9.36m. to £16.06m., including property sales of £3.5m. against £0.8m. Pre-tax profit advanced from £224,000 to £325,000 after interest down from £2.89m. to £2.42m. and exceptional provisions of nil against £345,000.

Tax took £170,000 (£154,000), leaving £155,000 against £70,000.

The directors state that, in view of the uncertainty of the economic outlook they think it more appropriate not to resume payment of an interim dividend but to defer consideration until the results of the whole year's working are known.

Last year, the company paid a dividend of 1.5p net per 25p share after pre-tax profits of £541,000.

The group is controlled by the Co-operative Bank.

● comment

The good news from FC Finance is that there are no more exceptional provisions. But the trading picture is not too impressive. On a 47 per cent. rise in turnover (after deducting property sales), the trading profit is down by 12 per cent. The reasons, apparently, are fluctuations in interest rates, reduced activity in property loans and some HP contracts, and the absence of interest on some probable bad debts already provided for. By reducing interest charges by 17 per cent. (on a £2m. fall in borrowings to £50m.), pre-tax profits come out 45 per cent. higher. But that is unlikely to impress while demand for credit is still basically slack, despite the slight rise in industrial credit and rather more marked rise for personal credit on the back of buoyant motor car sales. Until a firmer trend is seen and the dividend made known, the shares are unlikely to move much from 20p.

Berry Wiggins warning on interim results

Market fears that something has gone wrong at Berry Wiggins, the drilling contracting company, received partial confirmation yesterday with the news that interim figures for the six months to June 30, 1976, have been delayed, that when they arrive they "will be disappointing" and that as a result no interim dividend will be paid.

This was enough to drop Berry Wiggins share price by a further 3½p to 18p yesterday, compared with a peak this year of 54p.

A statement issued yesterday says that the delay has been caused by "the greater than anticipated difficulty in collating the relevant figures from the group's overseas operations."

Mr. Paul Bristol, chairman of Berry, said yesterday that it was inappropriate for him to comment on the group's position until the interim results, expected to be available within the next 30 days, are made public.

Last October, Berry signed a $30m. financing agreement to fund oil drilling contracts in Algeria and the North Sea through its subsidiary KCA Drilling. In 1975 it made pre-tax profits of £1.9m. and paid a dividend of 1.925p net, including an interim of 0.7p.

Beatson Clark upsurge

Sales of glass container manufacturers. Beatson Clark & Co., increased from 5.84m. to £6.9m. in the first half of 1976, and pre-tax profit expanded from £298,000 to £614,000. For the second half of 1975 sales were £6.18m. and profit £774,000.

A further machine line restarted in May helped to produce the increased profit for the first six months of 1976, says the chairman, Dr. A. W. Clark.

Prices were increased by an average of 9.4 per cent. from June 1 and a further increase is expected towards the end of the year.

Cash flow continued to improve and the bank interest charge, down from £150,000 to £101,000, is likely to show some further reduction during the second half.

The overall share of the home market marginally improved, while exports were maintained, although for the year as a whole they are unlikely to show the spectacular percentage increase achieved in 1975.

Output was reduced during August and September because of holidays and a major furnace repair, but trading results for the year should be at least equal to those for 1975, the chairman adds.

The interim dividend is lifted from 1.47p to 1.625p net per 25p share. Last year's total was 4.19635p.

	First half 1976	First half 1975	Sec. half 1975
	£000	£000	£000
Sales	5.168	4.077	4.423
Export	1.790	1.763	1.756
Total sales	6.952	5.840	6.179
Trading profit	1.008	753	1.236
Depreciation	293	304	311
Net bank interest	101	150	131
Profit before tax	614	298	774
Taxation	319	145	402
Net profit	295	133	372
Dividend	69	62	116
Increase in res.	226	91	256

Profit figures for the first halves of 1975 and 1976 do not include any provision in respect of stock inflation, whereas the profit figures before tax for the second half of 1975 include a holding gain of £307,000.

● comment

Beatson Clark continues to make headway after the severe profits setback in late 1974 and early 1975. The latest figures are more than double those of the comparable period and 31 per cent. up on the preceding six months after adjusting for stock profits. In the face of over capacity last year, Beatson closed five of its production lines, leaving only 12 operational. But now three have been put back into action and a fourth is due to restart in January, with the last one scheduled for the spring. So Beatson is confident of continued buoyant demand, and combined with its more aggressive pricing policies—there was a 9.4 per cent. rise in June and another of 8 per cent. is due next month—profits this year could top £1.4m. for a pre-tax rise of a third. Meanwhile a strong cash flow will probably halve borrowings by the year-end to about £1m. At 62½p the prospective p/e is less than 4 while the yield is 11.7 per cent.

WIGGINS TEAPE

Wiggins Teape is reorganising its U.K. operations to come under one management Board chaired by Mr. Peter Gardner, the deputy group managing director.

Scottish TV resumes dividend

RESUMPTION OF dividends with an interim of 0.975p net per 10p share is announced by Scottish Television in respect of 1976.

Pre-tax profit for the first half expanded from £123,414 to £634,684, and the chairman, Mr. J. Campbell Fraser, reports that current income levels are up on last autumn giving good reason to expect that the year's result will be ahead of that of 1975, when profit was £766,500.

	Half year 1976	Half year 1975
	£	£
Sale of advertising	5,514,660	3,762,497
Other income	105,690	102,457
Expenditure	4,233,476	3,554,118
Exchequer levy	752,188	187,412
Profit before tax	634,684	123,414

The chairman says the interim results are a continuation of the improvement which started in the second half of 1975. Advertising revenue was buoyant, showing a 46.5 per cent. increase which was better than the industry as a whole and is further evidence of the growing attractiveness of the Scottish market.

● comment

Scottish Television's profits are five-fold on a 46½ per cent. jump in advertising revenue. Even allowing for the 19-day strike which hit last year the underlying trend is still very good. However, in the second half advertising revenue is unlikely to look so buoyant, for not only was the comparable period reasonably strong, but the latest figures for July and August are disappointing. So the rate of growth in advertising could well slow down to, say, 20 per cent. Meanwhile, costs will be pushing upwards, as a sharp rise in network programme prices can be expected—perhaps as much as 30 to 40 per cent.—and this is the largest single expenditure item, which will soon swallow up any benefit from the reduction in IBA rental charges. The second half profits could look rather flat and pre-tax profits for the year are unlikely to be much above £1.2m. Even so, at 24p where the prospective p/e is only two the shares look good value, though as a pure contractor Scottish is not shielded against the advertising cycle.

Peters cuts dividend to 2.445p

PRE-TAX PROFIT for the year to June 26, 1976, of Peters Stores, leisurewear retailers, decreased from £463,908 to £332,070, including £100.383 (£770) surplus on property sales. At halfway profit was up from £287,302 to £311,540.

Earnings per 10p share dipped from 7.3p to 4.7p, and the dividend is cut from 3.8127p to 2.445p net with a final of 0.47p.

	1975-76	1974-75
	£	£
Trading profit	232,596	465,138
Surplus property sales	100,383	770
Profit before tax	332,979	465,908
Taxation	183,407	249,000
Net profit	149,472	214,905
Dividends	*50,355	118,904
Retained	99,027	96,004

* After waivers of £27,603 of the interim dividend by certain directors (nil). Certain directors also intend to waive the proposed final dividend on a total of 1,302,622 shares.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Batu Matang Rubber	1.41	Dec. 14	1.25	1.79	1.63
Beatson Clark ...int.	1.63	Dec. 3	1.47	—	4.2
Beaver Grp. ...int.	1.0	Dec. 10	1.0	—	2.53
Bourne & Hingswrth. int.	1.25	Nov. 14	1.25	—	2.88
Broken Hill Proptry. int.	14.5(a)	Nov. 24	14.5	—	30.5
Greaves Organisation	nil	—	0.2	nil	0.2
Lake & Elliot	2.01†	Jan. 4	1.83	3.44	3.13
Lyle Shipping ...int.	2.2	Jan. 7	1.98	—	3.99
Pantani Para Plantns.	1.51	Dec. 14	1.34	1.84	1.67
Peters Stores	0.47	Jan. 17	1.84	2.45	3.81
Scottish Television ...int.	0.98	—	nil	—	nil
George Wills ...int.	0.75	—	0.72	—	1.27

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Australian cents.

No dividend by Greaves Orgn.

ON A TURNOVER of £11.72m., against £12.56m., profit from trading operations of The Greaves Organisation decreased to £1.57m., from £2.37m. in the year to March 31, 1976. But after substantially reduced interest charges and land and development write offs there is a turnround from a loss of £1.43m. to a pre-tax profit of £61,119.

In view of the priority being given to reducing borrowings the directors are unable to recommend adividend, compared with 0.2p net for the previous year. Earnings per 10p share for the year were 0.62p (loss 8.44p).

Trading profits are less than anticipated at the halfway stage. They amount to £118,119 (£5,757) reduced to £61,119 (loss £1,431,641) after amounts written off land and development. The profits reflect unprecedented inflation in building costs during the latter half, only a small part of which could be passed to purchasers due to a combination of market resistance and the pre-sale policy of the group, the directors state.

Most amounts by which land and property were written down in 1974 (£844,800) and 1975 (£1,437,398) remain adequate but in isolated cases total further provisions of £57,000 are prudent. They however, consider a number of the group development sites to have realisable values in excess of cost.

Borrowings were progressively reduced from £12.9m. on March 31, 1975, to £8.1m. on March 31, 1976, and were further reduced to £7.1m. by mid September.

Group policy of contracting houses for sale at an early stage of building enables a clear statement that housing production of the full year will be sold, the directors add.

	1975-76	1974-75
	£	£
Group turnover	11,723,919	12,559,650
Profit trading operatns.	1,566,654	2,369,538
Interest payable	1,448,535	2,363,781
Off land and dvpts.	57,000	1,437,398
Profit before tax	61,119	*1,431,641
Tax recoverable	4,663	537,969
Net profit	65,782	*893,672
Dividends	—	21,169
Less waivers	—	3,876

* Loss.

● comment

Although Greaves' full year figures show a £1½m. turnround from losses they are still disappointing. At half-time the group was aiming to push house sales up from 900 units to at least 1,150, and to bring full year profits up to a level where a dividend payment would be possible. In the event unit sales have remained virtually unchanged and the dividend has been passed. The group has got to make further inroads into its borrowings now standing at £7.1m. (against £12.8m. at the end of 1974-75 and £8m. at the end of 1975-76) in an effort to reduce interest charges. But in the meantime house starts are falling away and unit sales could drop to perhaps 850 this year, so prospects at the trading level are far from certain. At 6p (against par value of 10p) the group is capitalised at just £635,000.

Lyle Shipping well down but recovery forecast

A SHARP downturn in pre-tax profit from £637,000 to £62,000 is announced by Lyle Shipping Company for the first half of 1976 but the directors forecast that the second half should mark a return to former higher levels of profitability.

They state that it is already clear that the second half will show a return to profits in shippong activities. The company's two new Govan ships which have been well-received by charterers are operating satisfactorily and will assist the results.

At the same time the out-look for other activities also gives grounds for optimism. They are therefore looking for the second half trading profits to increase substantially which, when taken in conjunction with capital profits, "should mark a return to former higher levels of pre-tax profits."

For 1975 pre-tax profit was £951,000, down from the previous year's record £2.18m.

The current year interim dividend is raised from 1.98p to 2.2p net per 25p share—last year's final was 2.01p.

First-half 1976 turnover improved from £4.88m. to £5.78m. Profit is struck after depreciation up from £235,000 to £290,000, higher ship loan interest payable of £459,000 (£333,000) but before deducting pre-delivery interest of £150,000 (£54,000) in respect of ships under construction and additional financing costs of £393,000 (£282,000) on repaying foreign currency loan instalments.

No tax is payable due to unused capital allowances, but a transfer to deferred tax reserve is made at the full rate.

Pre-tax profit comprises ship-owning loss £31,000 (profit £510,000), profit from ship management and ship broking £39,000 (£18,000), insurance broking £25,000 (£13,000), precision engineering loss £16,000 (loss £36,000). North Sea services profit £102,000 (£47,000) and group financing loss £37,000 (profit £85,000).

● comment

Depressed freight rates and escalating operating costs have pushed Lyle Shipping's first-half profits further into decline despite a more-than-doubled contribution from the North Sea Services division. However, there are signs that the tide may be turning for the group. Its entire concentration in the most resilient area of shipping, small bulk carriers, means that it should be one of the first in the sector to benefit from any recovery in freight rates. Evidently it has already seeen a small improvement in these and has been able to fix its two new Govan vessels at more favourable rates than would have previously been possible. With no sign of a slow-down yet in the North Sea interest, a full-year trading profit of between £350,000 and £400,000 could now be possible. Also, the current year's profits should be boosted by some £2¼m. from the surplus on the recent sale of two vessels, good news for a shipping company which in its last accounts had no cash and around £12.4m. of debt. At 130p, the "A" shares are on a 70 per cent. discount to assets, and yield a maximum 5¼ per cent.

Percy Lane's £½m. expansion

In a major expansion of its production of glazed aluminium window assemblies for the transport and caravan industries, Percy Lane Group is spending £500,000 on enlarging its factories in Tamworth, Staffordshire, and Luxembourg.

In addition to giving the group extra capacity to meet the substantial and continuing increase in demand for its range of motor vehicle and caravan windows, the expansion programme will create 50 new jobs in the U.K.

The "Planet" works of the group's Percy Lane subsidiary in Tamworth are to be enlarged with a new manufacturing bay of 20,000 square feet and installation of new machinery. The additional capacity will be in full production by June, 1977.

In Luxembourg, the construction of a new manufacturing bay at the group's Para-Press subsidiary will add 24,000 square feet to the existing factory, making a total floor area in excess of 100,000 square feet.

Midland News up at halfway

PRE-TAX PROFITS of Midland News Association for the half year to June 30, 1976 have more than doubled from £404,000 to £983,000. Net profit increased from £182,000 to £431,000.

The group made pre-tax profits of £1,120,740 in 1975.

The half year improvement compared with the poor results for the previous two years, is needed to reduce the considerable borrowings incurred for the completion of the modernisation programme, say the directors.

Conditions are uncertain, they add, and it is difficult to forecast the level of profit for the second half.

The company has close status.

No decision yet on Ben Line bid

The shares of Sheaf Steam Shipping, which on September 3 announced that it was in bid talks with Ben Line Steamers, dropped by 8p to 88p yesterday on the news that although discussions are continuing, "it will be some time before a decision will be made regarding a possible cash offer by Ben."

Yesterday's fall brings the total decline in Sheaf's shares this week to 16p and the current price is almost 30 per cent. below the year's peak of 122p.

Recovery trend at Toye

Manufacturers of civil and military regalia, etc., Toye and Co., reports turnover up from £1,682,633 to £2,030,198, and a profit of £65,921, against £69,825, for the first half of 1976. Tax takes £31,432 (£36,309).

There is a surplus on the sale of freehold properties of £51,583 (nil).

Prevailing economic climate is still proving difficult although sales increased by approximately 20 per cent. The directors believe that the company will continue its recovery in the second half as long as conditions do not deteriorate. Profit, before tax, for the year 1975 was £24,831.

Batu Matang

Profit of Batu Matang Rubber Plantations (1932) increased from £78,974 to £93,002 in 1976, subject to tax of £50,000 (£41,128).

Earnings per 3½p share rise from 4.2p to 4.77p, and the dividend is stepped up from 1.625845p to 1.788p net with a final of 1.408p.

Replanting reserve receives £9,672 (£2,502).

The estate has been professionally valued and the directors have decided to write up the fixed assets in accordance with this valuation to £220,000.

They have also decided to write up the trade investments to £596,000. The market value at end June was £662,397, but because of the more volatile nature of such investments, they consider it prudent to allow a margin for adverse movements.

The surplus arising out of the Earnings per 3½p share rose making a provision for the related corporation tax on capital gains.

A net surplus of £487,005 has been transferred to reserves.

UNIT TRUSTS

Gartmore Far Eastern offer

This week the Gartmore Far Eastern unit trust is still in the process of making its first public offer with a minimum initial investment requirement of £200. Yield is only 1 per cent. on this fund but the managers point to the exceptional growth of the Japanese and Hong Kong markets in recent years. In their view the capital growth potential of these markets plus Singapore, Malaysia and the Philippines should outweigh any absence of income. Initially 70 per cent. of the fund will be in Japan and Hong Kong. Gartmore is now a sizeable unit trust group, but its main claim to fame is as a manager of investment trusts.

● comment

Currently the Far East markets are all the rage (especially Japan) and trusts with an Asian link are showing up well in the performance tables. This is why Gartmore Far Eastern has been launched at the time and the managers are well acquainted with the area, even to the extent of having a Hong Kong office. But one should not assume automatically that the astronomic past growth figures which the advertisement quotes will be faithfully reflected in future performance. This will depend on the skill of the managers as well as the continued momentum of Far East markets.

SCHLESINGER AMERICAN PIMS

The Schlesinger American PIMS scheme is being advertised by Schlesinger Trust Managers. The minimum investment in the underlying unit trust, Trident American Growth, is £500 but to take advantage of the Personal Investment Management Service (PIMS), the investor needs at least £2,500. PIMS will then entitle him to be kept more closely informed in terms of reports than is generally the case with a unit trust investment. Withdrawal and share exchange facilities are available.

● comment

The Schlesinger American PIMS plan tends to be popular with stockbrokers who would like their clients to have exposure to the U.S. market but often cannot achieve it due to investment currency difficulties. This is where Schlesinger comes in with its enthusiasm for the U.S. market, loan facilities for its funds and its regular reporting service via PIMS. However, while the advertisement's message "Beware of the Dollar Premium," may be right in the long term, it is by no means proven so far.

HILL SAMUEL MANAGEMENT

The private client service is being promoted by Hill Samuel Investment Management this week-end. Hill Samuel makes the point that it now provides private client services for portfolios of as little as £20,000 at a modest cost. The service cuts out paper work for the investor and keeps him informed about the progress of his portfolio.

● comment

The Hill Samuel Investment Management private client service is offered alongside its unit trust services and £20,000 is a modest minimum by merchant bank standards. But private client facilities have been growing everywhere in recent years and are now more sophisticated than a bland demand to put up £100,000 or look elsewhere. The usual form with modest amounts is to make partial use of in-house funds a group may run.

BLACK HORSE SAVINGS PLAN

A new savings plan has been launched by Beehive Life Assurance (a subsidiary of [illegible] Bank) called the Black Horse Savings Plan. This is a managed fund split three ways between equities, property and fixed interest securities. The minimum term is 10 years and the minimum investment £25 per month. COMMENT

● comment

The Black Horse Savings Plan is another addition to the ranks of the managed funds and is indicative of the current uncertainty about tying oneself to any one form of investment. But the trouble with most managed funds is that either the property section of the portfolio is non-existent or is the least flexible. Flexibility tends to be provided by new cash flow.

LAWSON AMERICAN

Lawson Securities is promoting the Lawson American Fund this weekend with a minimum investment requirement of £100. The fund is "well diversified" with a portfolio of around 30 stocks and has the chart experts Investment Research of Cambridge as its investment advisors. Management charges are on a 5 per cent. initial/½ per cent. per annum basis.

● comment

With a little help from the U.S. market, Lawson Securities seems to have reversed the once poor performance of the Lawson American Fund (formerly under another management) which now appears among the top performers this year. Clearly any future prospects are banking on a continued recovery of the U.S. stock market. Most investment advisers are confident that this is on its way, but it is still a fact that the Dow Jones has shown a marked hesitancy about breaking permanently above the 1,000 mark.

Arbuthnot double offer

An initial high income and potential growth is being offered by the Arbuthnot High Income Fund this week-end, the minimum investment being £300. The current estimated gross yield is 13 per cent. and the fund is invested in preference and convertible shares to provide added stability and security of income. Anyone who invested £1,000 a year ago in income units would have received so far a gross income of £114 and seen his initial investment grow to £1,036 at the offer price. Over the same period the F.T. All Share fell by 3½ per cent.

● comment

Arbuthnot Securities has a preference fund as well as the Arbuthnot High Income Fund. The preference fund yields a point and a half more than the income fund, but the carrot with the latter is that it offers better capital growth prospects in the event of a stock market recovery. Higher yields have become more easily obtainable over the past fortnight.

ARBUTHNOT NORTH AMERICAN

With a minimum initial investment requirement of £300, Arbuthnot Securities is making an offer of Arbuthnot North American and International units this week-end. The initial charge is 5 per cent. and the annual charge is ½ per cent. The portfolio is 95 per cent. invested in U.S. companies but there is the flexibility to invest elsewhere as the occasion demands. The fund has a back-to-back loan facility.

● comment

The message from Arbuthnot North American and International is much the same as that of the other U.S.-orientated funds—now is the time to invest, for the U.S. market is moving forward. This may be true, but it is comforting that the investment scope of the fund does allow it to consider alternative markets. This may not be important now, but it could be different a few years hence.

VANBRUGH FIXED INTEREST

The Vanbrugh Life Assurance Company is advertising its Vanbrugh Fixed Interest Investment Fund as an ideal way for the investor to improve his income return. The aim of the fund is to invest primarily in gilts but the policy is subject to variation in the light of prevailing market conditions.

● comment

The Vanbrugh Fixed Interest Investment Fund is an example of an actively managed money market fund and is tailored to meet the uncertain conditions of to-day. Vanbrugh is the "new product" arm of the Prudential.

Further progress by Clyde Petroleum

INCLUDING the recently-acquired Anglo-Ecuadorian Oilfields and Phipps Oil, trading profit of Clyde Petroleum was £648,819 for the nine months to June 30, 1976, compared with £415,813 in the previous 12 months.

Mr. W. G. Biggart, chairman, says this reflects a changing situation as Anglo ceases to be an integrated oil company and becomes a supplier of services to the Ecuadorian National Oil Company. At the attributable level, profit was £1.92m. (£19,139 loss) including an unrealised exchange gain of £1.03m. and a gain on the sale of two tankers owned by Anglo of £520,000.

The chairman states that the company has made further progress and the directors look forward with confidence.

The North Sea continues to be an exploration area of great significance to the group. With the acquisition of Phipps the group now holds a 13 per cent. interest in Blocks 16/21, 22/1, 22/8, 22/13 and 211/22. A well on Block 211/22 was spudded in on August 5, 1976, and is making good progress.

At present there are plans for at least one further exploration well on the group's North Sea acreage, to be drilled in early 1977.

The North Sea Sun Application Consortium, in which the Group has a 15 per cent. interest, is currently preparing an application to be submitted in October 1976 in connection with the [illegible] licensing round.

The directors are encouraged by the outcome of the acquisitions of Anglo and Phipps [illegible] the enlarged group now "has [illegible] stronger financial base."

The current exploratory well [illegible] Block 211/22 is of great significance and, if successful, they [illegible] confident that the group has [illegible] resources to finance its 13 [illegible] cent. share of the appraisal programme, in addition to continuing a reasonably widely based [illegible] ploration programme.

They intend to develop [illegible] Ecuadorian business in areas [illegible] with refining and, insofar as [illegible] refining operation is concerned, it is hoped to reach a satisfactory arrangement with the Ecuadorian Government in the near future.

	*Nine months 1975-76	[illegible]
	£	
Turnover	14,934,025	[illegible]
Trading profit	648,819	[illegible]
Deferred costs w/o	226,887	[illegible]
Pre-tax profit	422,932	[illegible]
Taxation†	97,297	[illegible]
Net profit	324,895	[illegible]
Unrealised exchange gain	1,032,397	[illegible]
Minority holders	38,139	[illegible]
Extraordinary	601,150	[illegible]
Attributable	1,915,892	[illegible]

* Includes results Anglo-Ecuadorian Oilfields and Phipps Oil. † After crediting interest receivable £384,863 (£394,231) [illegible] on sale of subsidiary £197,693 (nil) [illegible] after claim by refinery employees [illegible] (nil) and interest payable £34,673 (nil) [illegible] ‡ Consists of U.K. £263 (£295), overseas £96,994 (£37,171). [illegible] Comprises unrealised exchange gain on fixed assets [illegible] deferred liabilities £87,240 (nil) and [illegible] on sale of tankers £519,910 (nil). [illegible]

Results due next week

Apart from a couple of top line groups such as EMI and Peninsular and Oriental Steam our list this week is dominated by the retail sector, with figures due from Debenhams, Grattan, Freemans and Currys. Also featuring next week is Rugby Portland Cement.

EMI's preliminary results for the year ended June 30, 1976, expected on Thursday could show pre-tax profits in the order of £62m.-£63m. against last year's £35m. Orders for the scanner are still above the production rate of 20 units a month and this side could contribute profits of perhaps £12m. Together with buoyant figures in Australia (o nthe back of a boom in colour TV sales) and loss cutting in Italy, the electronics division could match profits of the music side this year. The strength at Capital, where profits have been buoyant as a result of strong U.S. demand should ensure higher profits from the music division. Analysts are also expecting profits of around £4½m.-£5m. from Thames TV, given the solid revenue figures in this industry.

Analysts are less certain about Wednesday's interim figures from P and O, with few guidelines for this interim period since the group changed its year-end last year. However, profits of around £29m. are expected for the full year, of which perhaps £13.5m. could come in the six months up to June 30, 1976. The chairman has forecast a reversal of the profits downtrend of the previous 15 months. Projections for the interim profits rest on maintained profits from the sale of ships plus a modest profit from bulk ship division. Although the cargo side is doing well, the best that can be hoped for on the passenger side is loss elimination. But the real uncertainty is about the possibility of further property development write-offs at Bovis, whose Canadian company has reported good figures and whose overall trading profits could reach £4½m. to £5m. for the half-year.

Department stores in general have had a difficult year to date, but Debenhams' interim figures on Thursday may well prove better than average. Sales have been moving ahead in volume terms and the group should have been increasing its market share despite the hot summer, which has hit High Street spending as a whole. In the comparable period there was a lull after the introduction of luxury rate VAT so against the comparable period the trading picture has not been all grey. First half profits could be in the region of £3¾m. to £4m. pre-tax (£3.2m.), though interest will centre around any indications for the far more important current half.

Mail order is well represented on Tuesday with interim figures from both Grattan and Freemans. The trading picture in mail order has been one of swings and roundabouts. A lower rate of inflation has eased working capital requirements, but on the other hand, demand seems to have slowed up considerably, though it may be possible that the industry figures (showing a sales rise of about a tenth) are not representative for the majors. Also the mail order houses could have been aiming to improve their gross margins this year at the expense of turnover, particularly at Freemans, which went full out for sales last year. All in all, expectations are very tentative, but Freemans could be marginally up at £3.75m. (£3.65m.) pre-tax, while Grattan's performance may be better with a rise to £4.8m. (£4.3m.).

Meanwhile at Currys the interim profits are expected to be considerably lower than those of the comparable period. This is because the first half of 1975 took in the pre-VAT buying spree for electrical durables, and profits then were almost doubled to £4.43m Without that exceptional boost the latest half-year could be down to say £3m. to £3½m. pre-tax. However, since the early summer sales do appear to have been reviving so the second half could make up much of the ground lost by the interim stage. The figures are due on Monday.

Rugby Portland Cement reports its interim figures on Monday and the market is going for pre-tax profits of around £5½m. to £6m. and perhaps £12½m. for the full year against last year's £11.3m. The chairman has already forecast a further modest fall in the demand for cement in the U.K., but there have been a number of price rises in the commodity that should allow the group to show some increase in its profits.

Also coming next week is the half-year results from Marshall Cavendish on Monday, while on Tuesday interims are expected from Bunzl Pulp and Paper, Cape Asbestos, Averys and Clive Discount. On Wednesday the full year results are expected from Johnson and Firth Brown along with six-monthly figures from Molins, Wilmot-Breeden, Rockware and Thomson Organisation. On Thursday comes Morgan Crucible with first half profits and on Friday interim profits are due from S. Pearson and Son.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Bazaloni Holdings	Tuesday	—	[illegible]	—
Change Wares	Monday	0.575	2.171	0.375
Cray Electronics	Monday	—	1.3	0.3
EMI	Thursday	2.625	5.607	3.1
Fraternal Estates	Wednesday	—	Nil	—
Grimshawe Holdings	Thursday	—	Nil	—
Herrburger Brooks	Tuesday	—	0.975	—
Johnson & Firth Brown	Wednesday	0.975	2.603	0.575
M. P. Kent	Monday	0.5	1.209	0.55
Lawtex	Wednesday	1.265	1.32	Nil
S. Lyles	Tuesday	1.0	1.0	1.0
Macallan-Glenlivet	Friday	1.375	2.386	1.28
Petrocon Group	Tuesday	0.984	2.94	1.082
Rame Engineering Industries	Monday	0.104	0.494	0.225
Ramar Textiles	Tuesday	Nil	0.516	0.318
Scottish & Continental Investment	Wednesday	—	1.0	—
Strong & Fisher (Holdings)	Monday	1.0	2.69	2.0
Wallis & Co. (Costumiers)	Friday	1.0	1.5	1.0
INTERIM DIVIDENDS				
Advance Laundries	Monday	[illegible]	1.207	
Averys	Tuesday	1.563	3.16	
Beauford Group	Thursday	0.575	1.845	
Bronx Engineering Holdings	Thursday	0.66	[illegible]	
Bruntons (Musselburgh)	Thursday	2.311	3.19*	
Bunzl Pulp & Paper	Tuesday	2.305	1.664	
Cape Industries	Tuesday	2.4	4.28	
Clive Discount Holdings	Tuesday	1.0	1.532	
Collett Dickenson Pearce Intnl.	Wednesday	1.267	1.294	
J. Compton Sons & Webb (Holdings)	Tuesday	0.358	1.19	
Dale Electric International	Monday	1.75	2.585	
Debenhams	Thursday	1.424	2.653	
Dominion and General Trust	Thursday	1.5	4.3	
J. E. England & Sons (Wellington)	Monday	0.3	0.536	
John Finlan	Thursday	Nil	Nil	
F.P.A. Construction Group	Wednesday	Nil	Nil	
Freemans (London S.W.9)	Tuesday	2.0	2.897	
Gough Brothers	Tuesday	0.95	1.72	
Grattan Warehouses	Tuesday	1.65	2.078	
Higgs & Hill	Tuesday	1.8	[illegible]	
H. and J. Hill Group	Tuesday	0.481	1.156	
Hiltons Footwear	Thursday	1.155	2.797	
Holt Lloyd International	Tuesday	—	3.0	
Jove Investment Trust	Monday	1.025	1.025†	
Percy Lane Group	Tuesday	Nil	1.5	
Marshall Cavendish	Monday	0.594	2.051	
Albert Martin Holdings	Thursday	0.84	1.719	
F. Miller (Textiles)	Friday	1.16	1.205	
Molins	Wednesday	—	—‡	
Morgan Crucible	Thursday	2.75	1.545	
S. Pearson & Son	Friday	1.4	4.142	
Peninsular & Oriental Steam Navgn.	Wednesday	2.25	4.4067	
Rockware Group	Wednesday	1.0	2.167	
Ruberoid	Tuesday	0.55	1.16	
Rugby Portland Cement	Monday	1.36	1.473	
Sanderson Kayser	Wednesday	1.22	2.58	
Senior Engineering Group	Tuesday	[illegible]	0.473	
Siemssen Hunter	Wednesday	0.967	0.976	
Silentnight Holdings	Tuesday	1.05	2.264	
Thomson Organisation	Wednesday	1.6	2.21	
Warne Wright & Rowland	Thursday	0.967	0.927	
Wettern Brothers	Friday	2.067	2.148	
Wilmot-Breeden (Holdings)	Wednesday	0.65	1.8	
INTERIM FIGURES ONLY				
Barr & Stroud	Tuesday			
Currys	Monday			
I. & J. Hyman	Wednesday			
John Mowlem	Thursday			

* Dividends shown net, pence per share, and adjusted for any intervening scrip issue. † Second interim. ‡ For nine months. § Forecast 2.0p interim in July, 1976 prospectus. ¶ Includes second interim for 15-month period.

هكذا من الأصل

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Mather and Platt, the Manchester-based fire protection and engineering company, has received a £28m. take-over offer from the leading Australian fire protection concern, Wormald International. The Board of MP is recommending all shareholders to accept the offer. Wormald is offering 120p in cash for each Ordinary share and 50p for each Cumulative Preference share. The cash offer is to be financed from four sources. A $A7m. placing has been underwritten in Australia. Conditional on the offer being accepted, a further $A14m. will be raised by a rights issue and the remaining $A17.3m. by a syndicated medium-term Euro-currency loan and a medium-term bank facility in Australia.

The struggle for control of Ronksley Investments remains unresolved following fresh initiatives by the two interested parties. Martin-Black, the original bidder, was quick to reply to Arthur Lee and Sons' agreed counter-offer of 4.625p a share offer for RI with an increased bid of 4.75p per share. The main attraction of Ronksley is its holding of 40 per cent. in the private wire rope manufacturer Glover Group. Lee family interests are thought to be in possession of about 30 per cent. of the Ronksley capital.

International Ferry Freight, a subsidiary of British Electric Traction, is offering to acquire the 73 per cent. of Lovell's Shipping and Transport which it does not already own in a deal which values the whole of Lovell's at £720,000. Lovell's shareholders are being offered £1.25 in cash for each Ordinary share held. The Lovell Board has rejected the offer as "unacceptable" and will be writing to shareholders in due course following the issue of the formal offer documents.

In a move to rationalise its tea interests, James Finlay has made offers to purchase shares not already owned in three of its associated companies. The terms for Achabam Tea are seven Finlay for every 12 Achabam or 40p a share in cash. Borhat Tea shareholders are offered three Finlay for every 13 shares, while Chubwa is in receipt of offers of 20 Finlay for every 13 Ordinary and 80p in cash for each Cumulative Preference share.

The Board of George Spencer has now issued its formal rejection of the 35p per share bid from Nottingham Manufacturing on the grounds that the offer terms represent a 60 per cent. discount on the group's net asset value of 87p in the last accounts and adds that, following an independent valuation of the U.K. properties, a surplus amounting to a further 27p per share has been revealed. The chairman has forecast, with Treasury approval, a 15 per cent. rise in the annual dividend rate to 4.57191p gross.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Abercorn Gen. Invests.	77*d	74	65	0.7*d	Castlemere Props.	—
Achabam Tea	73d	65	20	0.6d	James Finlay	—
Agar Cross	19d	17	16	0.15d	Newman Inds.	—
Anglo-Cont. Invest. and Fin.	65*d	62	52	6.9*d	Generale Occidentale	—
Argyle Secs.	50*d	45	39	6.0*d	Generale Occidentale	6/10
Assam Cons	21½	18‡	18‡	0.25	Hampton Tst.	—
Borhat Tea	29d	26	20	0.7d	James Finlay	—
Cash (J. & J.)	160*d	160	150	0.5*d	Jones Stroud	—
Central Province Ceylon Tea	8	7½	8	0.25	Anglo-Ind. Plantations	4/10
Chubwa Tea	198d	135	65	0.2d	James Finlay	—
Crane's Screw	19	18½	16½	0.4	Benjmn. Priest	—
Crowther (Wm.)	200*d	190	120	1.1*d	British Land	—
Equity Enterprises	3*d	18‡	18‡	0.2*d	Messrs. J. Daly & D. J. Dawson	—
Farnworth (Robt.)	8½g	8g	7	0.2g	William Reed	—
Hall-Thermotank	84	77	72	11	APV	—
Isle of Man Assurance Inv.	62½*d	61	60	0.6*d	Douglas Ests.	—
Keith & Hendrsn.	83*d	82	76	3.8*d	Welfare Insr.	—
Kennedy (Allan)	29	32	33	0.2	Ferguson Indl.	—
Lampa Secs.	120*	122	101	1.9*	Royco Group	—
Lovell-Shipping	125*d	135	100	0.5*d	British Electric Traction	—
Makum (Assam) Tea	90*d	87	47	0.15*d	McLeod Russel	—
Manbre & Garton	200	200	159	47.9	Tate & Lyle	8/10
Mather & Platt	120*d	103½	67	27*d	Wormald Int.	—
Morris (Herbert)	120*d	123	97	2.5*d	Babcock & Wilcox	—
Odex Racasan	127½*	122½	70	5.9*	Paterson Zochonis	—
Oliver Pell Control	200*	200	200	0.2*	Thorn Elect.	—
Romford Stadium	67½b	65	60	0.7	Coral Leisure	—
Ronksley Invs.	4½*	5½	3½	0.5*	Martin-Black	—
Ronksley Invs.	4½*d	5½	4	0.5*d	Arthur Lee	—
Second Scottish Inv. Trust	65	65	85	37.5	Scottish Invest. Trust	f 1/11
Spencer (G.)	35*d	41	25	1.3*d	Nottingham Manufctng.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 1/10/76. k Based on 30/9/76. ‡ At suspension. † Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
AB Electronic	June 30	571	(379)	9.7	(6.7)	4.515	(4.105)
Adwest Group	June 30	4,217	(3,207)	21.6	(19.8)	6.937	(6.306)
Barratt Devpts.	June 30	9,765	(6,059)	17.1	(14.3)	6.56	(6.0)
A. Beckman	June 30	1,679	(1,517)	9.0	(8.4)	4.712	(4.283)
Bejam Group	July 3	2,641	(1,608)	5.5	(3.5)	2.6	(2.0)
Burns-Anderson	June 30	411	(322)	3.5	(3.0)	1.3	(1.182)
Campari	May 31	867	(184)	7.3	(0.5)	2.5c	(1.731)
Capseals	June 26	618	(1,050)	2.6	(4.1)	1.546	(1.405)
Chaddesley Invs.	Mar. 31	22L	(136)L	—	(—)	Nil	(Nil)
Cope Allman	June 26	5,374	(5,807)	5.8	(6.5)	2.808	(2.553)
Deundi Hldgs.	Dec. 31	45	(84)	8.2	(15.4)	Nil	(Nil)
Dover Engrg.	Mar. 31	24d	(114)	—	(—)	Nil	(Nil)
Footwear Industry	May 31	722	(618)	8.8	(9.6)	3.574	(3.249)
Headcrest Invs.	Dec. 31	139	(102)L	3.5	(—)	Nil	(Nil)
Helton Hldgs.	Apr. 30	40L	(912)L	—	(—)	0.33	(Nil)
McLeod Russel	Mar. 31	2,401	(2,425)	35.0	(26.4)	6.456	(5.869)
MFI Warehouses	May 29	1,018	(78)	4.1	(0.3)	2.925	(Nil)
Nelson David	Mar. 31	48	(61)L	0.3	(—)	Nil	(Nil)
Parker Knoll	July 31	1,747	(1,169)	18.6	(12.4)	2.889	(2.627)
I. D. & S. Rivlin	Apr. 30	317¶	(391)a	3.6	(4.9)	2.34	(2.376)
Scot. Met. Prop.	Aug. 15	919	(820)	2.6	(2.6)	1.74	(1.58)
Charles Sharpe	June 30	481	(785)	35.0	(80.9)	17.55	(15.96)
Sime Darby	June 30	28,651	(20,825)	5.5	(1.9)	2.6§	(2.0)
Singapore Para	Mar. 31	64	(31)	1.7	(1.0)	0.45	(0.3)
Startrite Engrg.	June 30	321	(375)	10.6	(11.3)	3.121	(2.838)
Wstrn. Dooars Tea	Dec. 31	362	(631)	15.9	(30.2)	4.69	(4.268)
Willows Francis	June 30	231	(48)L	7.6	(—)	2.275	(Nil)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Aberdeen Cnstrcn.	June 30	1,855	(1,524)	1.6	(1.5)
Alpine Hldgs.	Aug. 8	96†	(370)	0.813	(0.813)
Anchor Chemical	June 30	130	(19)L	1.826	(1.49)
APV Holdings	June 30	5,440	(4,296)	3.583	(3.256)
Armitage Bros.	July 10	235‡	(131)	—	(—)
Associated Book	June 30	771	(361)	1.2	(0.882)
Bemrose Corpn.	June 26	1,126	(868)	1.347	(1.008)
P. Bilton	June 30	2,691	(2,321)	2.194	(4.022)
Blockleys	June 30	207	(209)	0.929	(0.845)
Brent Chemicals	June 30	680	(530)	0.75	(0.75)
British Northrop	June 30	164e	(421)a	—	(—)
British Rollmakers	June 30	710	(711)	0.875	(0.875)
British Syphon	June 30	449	(9)	0.6	(0.5)
Cadby. Schweppes	June 19	16,000f	(14,100)	0.656	(0.656)
Cakebread Robey	June 30	200	(167)	0.3	(0.28)
Comb. Eng. Stores	Aug. 14	1,149‡	(1,425)	1.375	(1.25)
Copydex	June 30	116	(142)	0.7	(0.65)
James Dickie	Apr. 30	176	(200)	1.93	(1.8)
Energy Services	June 30	168e	(43)	Nil	(Nil)
Ests. & General	June 30	75	(85)	0.3	(0.5)
Expanded Metal	June 30	1,578	(1,109)	1.375	(1.25)
Fairbairn Lawson	July 1	430	(209)	1.0	(0.813)
Federated Chem.	June 30	1,689	(358)	1.291	(1.174)
Fisons	June 30	10,321	(10,161)	4.8	(4.4)
Foseco Minsep	June 30	7,937	(7,197)	1.69	(1.54)
Green Group	Apr. 30	153	(130)	1.0	(0.65)
Gross Cash Rgstrs.	Mar. 31	561L	(1,175)L	Nil	(0.772)
Group Lotus Car	July 2	35	(235)Lg	Nil	(Nil)
Haden Carrier	June 30	705	(925)	2.75	(2.75)
Hanger Invests.	June 30	207	(30)	—	(—)
Helene of London	June 30	308	(221)	—	(—)
IDC Group	Apr. 30	422	(406)	2.174	(1.977)
Intl. Combustion	June 30	579	(162)	0.325	(0.325)
W. & R. Jacob	July 19	288‡	(310)	0.813	(1.25)§
JB Holdings	June 30	894	(504)	0.46	(0.4)
John Laing	June 30	8,148	(5,974)	0.75	(0.667)
Lafarge Organistn.	June 30	660	(351)	0.5	(0.42)
Wm. Lawrence	June 30	259	(145)	—	(—)
Legal & General	June 30	5,800b	(4,700)	1.87	(1.7)
Manders	June 30	1,004	(956)	0.747	(0.54)
Modern Engineers	June 30	188	(175)	0.8	(0.765)
James Neill	June 30	1,029	(1,492)	2.0	(2.0)
J. T. Parrish	July 31	24	(69)	—	(—)
Wm. Pickles	June 30	461	(354)	0.26	(0.248)
Rdy. Mxd. Conc.	June 30	10,007	(4,161)	2.2	(1.6)
Reardon Smith	Sept. 30	701	(1,805)	0.813	(1.625)
Rchrds. (Leic.)	July 4	243	(267)	1.1	(1.0)
Royco Group	June 30	436	(875)	1.0	(1.0)
Sabah Timber	June 30	4,263	(2,173)	0.45	(0.35)
Sangamo Weston	June 30	537	(506)	—	(—)
Sheffield Brick	June 30	79	(45)	0.75	(0.75)
Solicitors' Law	June 30	701	(729)	1.43	(1.365)
Sthrn. Cnstructns.	June 30	329	(182)	0.435	(0.2)
Sunlight Service	June 30	179	(162)	0.322	(0.293)
Supra Group	May 31	168	(155)	0.313	(0.284)
Tarmac	June 30	9,235	(8,012)	3.52	(3.3)
Thomson T-Line	June 30	90	(51)	1.625	(1.625)
Tomatin Distills.	June 30	250	(243)	0.81	(0.81)
Tootal	July 31	6,230	(3,053)	0.8	(0.72)
TPT	June 30	1,806	(1,006)	1.1	(1.0)
Unicorn Inds.	June 30	2,355	(1,610)	1.75	(1.6)
Utd. Newspapers	June 30	2,166	(1,823)	5.6	(5.0)
C. & W. Walker	July 31	246	(135)	1.4	(1.3)
Waterford Glass	June 30	2,657	(1,871)	0.438	(0.375)
Watmoughs	June 30	180	(92)	0.8	(0.72)
George Wimpey	June 30	15,700	(15,200)	—	(—)
Whittington Eng.	June 30	87	(62)	1.625	(0.838)
Winn Industries	June 30	462	(405)	1.6§	(1.5)
Wolstnhlm. Bronze	June 30	477	(319)	3.0	(2.75)
Yrks. Fine Woollen	June 30	115	(17)	—	(—)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † For 27 weeks. ‡ For 28 weeks. § Gross. ¶ For 14 months. a For 12 months. b Attributable operating profit. c Gross—adjusted for scrip issue in lieu of dividend. d On continuing operations. e Net profits. f For 24 weeks. g For 25 weeks. L Loss.

Offers for sale, placings and introductions

York Waterworks: Placing £1m. 15 per cent. Redeemable Debenture Stock 1984 at £99 per cent.

Rights Issues

Matthew Brown: One-for-five at 50p each.
Fairbairn Lawson: One-for-three at 25p each.

Scrip Issues

A. Beckman: One-for-12.

APPOINTMENTS

G. W. T. Bird joins Rockware

Mr. G. W. T. Bird, a director of Pilkington Brothers, has been appointed to the Board of ROCKWARE GROUP as a non-executive director.

★

Mr. L. A. Brighton has been appointed managing director of BACHE HALSEY STUART (LONDON).

★

Mr. David Murray has been appointed director of financial services for OCCIDENTAL OIL AND GAS SERVICES, INC., a subsidiary of Occidental Petroleum Corporation. He will be based in Houston, Texas. Mr. Murray was previously general manager, finance of Oxy Metal Industries (GB).

★

Mr. R. W. Wright has been appointed a non-executive director of APV HOLDINGS.

★

Mr. L. R. Dowsett has been made joint deputy chairman of FEDERATED CHEMICAL HOLDINGS and continues as group chief executive. Mr. E. E. Stedman, joint deputy chairman, retires from the Board in March next year. Mr. R. A. Pargeter has become managing director and Mr. P. E. Duckworth, Mr. F. Fantl, Mr. A. E. Hudson and Mr. R. A. Mackay have been appointed to the Board.

★

Mr. Harold Deakin, trading director of INTERNATIONAL STORES, is to become buying director at the end of October when Mr. John Robb retires. Mr. Deakin will retain his present responsibilities for distribution.

★

Following the acquisition of a majority shareholding in ABERCORN GENERAL INVESTMENTS by Castlemere Properties (Manchester), Mr. A. J. Preston and Mr. R. H. A. Wain have been appointed to the Board.

★

Mr. Leonard Matchan has retired as president of COPE ALLMAN INTERNATIONAL and resigned from the Board. He has been appointed honorary life president. Mr. Edward Webster and Mr. Georges Gruska have also resigned from the Board. Mr. J. A. Cameron, formerly chief executive of the engineering division, has become group industrial director and Mr. Ralph Gruska has been made chief executive of the international packaging division.

★

Mr. A. P. Goudie has been appointed regional director to the Edinburgh office and also a member of the Board of management of GEORGE WIMPEY AND CO. Mr. Goudie has moved to Edinburgh from the company's Southampton region where he had been regional manager for two years.

★

HILL SAMUEL GROUP states that Mr. R. S. Vokey has decided to return to live in the U.S. and has accepted an appointment as executive vice-president of STATE STREET BANK OF BOSTON from January 1. He will be relinquishing his positions with Hill Samuel.

★

Mr. G. M. Dorey has been appointed Attorney General of Guernsey in succession to Mr. C. K. Frossard, who will vacate that office at the end of the year to take up his appointment as Deputy Bailiff.

★

Mr. J. D. Rose has resigned as a non-executive director of LAPORTE INDUSTRIES (HOLDINGS) because of ill health.

★

Mr. C. S. Barnett has resigned as a director of R. W. TOOTHILL.

★

Mr. R. S. Brocklehurst has been appointed secretary and deputy managing director of G. PERRY AND SONS, part of the Weir Group. Mr. Brocklehurst became finance director of the Pattern Equipment Co., a sister company of Perry in 1972, and was appointed secretary and finance director of Perry in 1973. Since 1975 he has also been a director of Ferroperry Tooling Pty., its South African associate.

★

Mr. W. C. Harris, in view of other commitments, will retire from the chairmanship of the BRITISH AVIATION INSURANCE COMPANY on October 31. Mr. Harris will remain a member of the Board. Mr. Geoffrey Bowler has been elected chairman and Mr. R. I. Sloan deputy chairman from November 1.

★

The Secretary of State for Trade has made the following appointments to the Advisory Committee which will consider applications for loans from the NATIONAL FILM DEVELOPMENT FUND: Mr. Clive Donner, Mr. Robert Hamilton, Mr. Michael Klinger, Mr. Jesse Lasky, Mr. Ken Maidment, Mr. David Puttnam, Mr. Rex Pyke and Lord Willis. Members have been appointed for the period up to and including July 31, 1977, with the possibility of re-appointment for one year.

★

Mr. R. C. Tarling has resigned as a director of EVODE HOLDINGS.

★

Sir Samuel Goldman, a managing director of ORION BANK, retires from the Board from October 1.

★

Mr. R. H. Eyres has resigned from the Board of RUSSELL BROTHERS (PADDINGTON).

★

Mr. J. K. Marsh has resigned as a director of STEWART WRIGHTSON (MARINE), part of the Stewart Wrightson Insurance Group, from October 10.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or –	Div. Amount	Times Covered	Gross Yield	P/E Ratio
—	F.P.	—	£10¼	830	Americn Med Int. Inc($1)	£10	–¼	Q24c	—	1.3	—
—	F.P.	—	£28	£21¾	Berry Pacific Fd. US$1	£28	—	9uc	—	0.7	—
50p	F.P.	17/9	7	63	Borthwick (Thos.) 50p	63	—	t5.5	2.0	13.4	5.7
—	F.P.	—	£30¼	£26¾	Dentsply Int. Inc. $1	£26¾	—	—	—	—	—
—	F.P.	—	£31	£29¼	Bemark $US1	£29¼	–¼	Q$1.5	—	2.9	—
120	F.P.	25/9	111	97	Motors	98	–1	t6.5	2.4	10.1	6.3
11	F.P.	—	132	[illegible]	Tours S.A. 11	130	—	—	—	—	—

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price £	+ or –
11	F.P.	—	106½	101½	Dentsply 9% £1/$ Conv. Uns. Loan 1991/96	102	–1½
£98.5	£10	29/10	29	28½	Eastbourne Waterworks 9% Red. Pref. '85	29	—
£10			11¼		G.I. Asia (Sterling) Fd. Prf. Red. Prf.	10¼	—
US$100	F.P.	—	LF98¾	LF98	Ind. Fund of Finland 9% Guar. Notes '86	LF98¾	—
299¼	£50	17/12	50	47	Islington 13½% Red. Stock 1986	47	—
††£94	£10	4/2	11½	11½	Mid-Sussex Water 8% Red. Pref. 1981	11½	—
£97	F.P.	28/10	98¾	98½	Mid-Sussex Water 14½% Red. Deb. 1982	98½	—
US$100			$101¼	$101	New Brunswick Province 9% Gtd.	$101¼	—
US$99¾	F.P.	—	$99¾	898	Norsk Hydro 9% Bds. 1991	99¾	—
††£100	F.P.	1/10	100	94	Portsmouth Water 8% Red. Prf. Stk. 1981	94	—
C$ 100	Nil	12/11	99¾	98½	Royal Tst. Mort. 9¾% Red. 1982	99	—
US$10	F.P.	—	$100½	$99¾	Saskatchewan Prov. of 8¾% Bds. 1936	$100½	—
£99	£25	19/11	25¾	25½	York Water 15% Red. Deb. 1996	25¾	—

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date ↑	Latest Renunc. Date ↓	1976 High	1976 Low	Stock	Closing Price p	+ or –
10	Nil	15/10	5/11	31½	24½	Armstrong Equipment	24½ pm	—
15	F.P.	c/w	to 11	15½	13¾	Astra Secs.	13¾	–¼
$A5.50	Nil	5/11	—	180	175	Bank N.S. Wales	175 pm	—
115	Nil	—	—	23	10	Black & Edgington	10pm	—
10	F.P.	27/9	12/11	11	8	Boosa Wests.	8	—
$A4	Nil	—	5/12	480	345	Broken Hill Props.	370pm	—
47	F.P.	24/9	5/11	32	28½	Buckleys Brew.	29	—
40	F.P.	10/9	8/10	22½	18½	Charterhall Finance	18½	—
$A1.75	Nil	29/10	12/11	120	77	Comm. Bk. Aust.	80	—
40	Nil	—	—	27	22	Lonrho	23pm	—
50	F.P.	28/9	15/10	45½	38½	Nolton Estates	38½	–½
25	F.P.	1/10	2/11	30	25	P.M.A.	25	—
200	F.P.	1/10	1/10	261	214	Reed Intl.	226	—
24	Nil	7/8	8/10	28	23	Second City Prop.	24	+½
20	Nil	8/10	12/11	6¾	5	Shakespeare(J.)	5½pm	—
$A1.20	F.P.	1/10		141	85	Western Mining	115	—
5	F.P.	24/9	15/10	8	7	Whatlings	7½	—
75	F.P.	17/8	1/10	97	84	Whitecroft Ind.	84	—
70c	F.P.			91	47	Woodside-Burmah	92	–1

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p Pence unless otherwise indicated. g Forecast dividend: cover based on previous year's earnings. u Figures based on prospectus or other official estimate for 1976. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ‡ 250 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ‡ Introduction. ‡ Issued to former Preference holders. † Allotment letters (or fully-paid). * Provisional or partly-paid allotment letters. § With warrants. ◆ After suspension.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Stocks sink lower again

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Oct. 1.

STOCKS RETREATED sharply in active trading, losing ground for the fourth consecutive session. The market was unsettled by renewed concern that the U.S. economic recovery in the third quarter was slower than expected.

Prices were further depressed *by a report that the U.S. Attorney-General was investigating President Ford's Congressional campaign finances while investors paid little heed to the record* $1.8bn. weekly decline in the U.S. money supply reported on Thursday. The Commerce Department *reported to-day that U.S. construction spending rose in August but new factory orders declined.*

The Dow Jones Industrial Index *fell 10.30 to 979.59 extending its four-day loss to nearly 34 points.* Losses out-distanced gains by more than two to one. The NYSE *common stock index lost 0.53 to* 53.70 and turnover was 20.62m. shares. The Stocks Index ended 2.75 lower at 307.99 and the Transport Index declined 2.24 to 215.10. Utilities shed 0.04.

A number of Blue Chips were carried lower on the wave of selling. General Motors lost ⅜ to $72⅝, Du Pont $1½ to $125¾ and IBM $2 to $280½.

Polaroid fell $1⅞ to $42¼, Eastman Kodak $1⅞ to $88⅞, Fluor $1⅛ to $36⅞, Digital Equipment $6¼ to $157½, and National Semiconductor —the most active—$2⅞ to $33⅜.

General Electric lost $1 to $53⅞ and Utah International slipped 25 cents to $59⅛.

Xerox lost $1⅞ to $62¼ and SCM Corpn. slipped $1 to $17⅞ after the latter had filed a suit alleging SCM infringement of Xerox patents.

Ford Motor lost $1¼ to $58 despite a report that a breakthrough could come soon to settle the strike by the United Auto Workers Union. Deere and Co. eased $⅞ to *$31 after 27,000 UAW* members went on strike.

Prices declined sharply on the American Stock Exchange. The *Amex index slipped 0.39 to 101.56.*

OTHER MARKETS

Canada mixed

Stocks closed mixed after a moderate trading day with the Toronto Industrial Index off 0.53 at 184.31. Golds were down 0.50 at 242.09 and Base Metals lost 0.30 at 83.55.

PARIS—The market was mixed with some buying from institutional investors. Foods, Constructions, Engineerings and Oils were mostly higher, but Banks, Financials, Hotels and Chemicals fell. Motors, Electricals and Metals were mixed. Moet Hennessy *fell* Frs.10.5 to Frs.488.5 and Crédit Foncier lost Frs.5.2 at Frs.305.5. BSN Gervais and Chargeurs Réunis both fell Frs.3. The Paris Bourse index ended at 58.2—a new 1976 low.

BRUSSELS—The market tended lower in quiet trading. GB-INNO-BM and Sofina rose but falls included Asturienne, Union Miniere, UCB, Hainaut-Sambre and Clabecq.

AMSTERDAM — Shares were mixed with all Dutch Inter*nationals weaker and Hoogovens* down Fl.1.

FRANKFURT — Some shares rose on selective buying but lead*ing steel stocks fell after reports* of a sharp decline in orders. Banks, Motors and Machineries rose up to DM3 while Necker*mann* led Stores up DM2.50. Siemens and RWE each rose DM1.30 in Electricals and Utilities but Mannesmann fell DM3 and Thyssen slipped DM1.80.

SWITZERLAND — Prices of Swiss stocks closed narrowly mixed on the Zurich Stock Exchange with gains outweighing *losses in quiet trading.*

MILAN—The market closed easier on end-account technical liquidation factors in uncertain trading. *All leading Industrials* lost ground, but Montedison was marginally higher. Mediobanca was unchanged after recent losses, while *Assicurazioni* Generali eased in Insurances.

OSLO—Industrials were steady while Insurances, Shippings and Bankings were quiet.

VIENNA—Shares moved ahead slightly in moderate trading.

COPENHAGEN—Higher in moderate dealings.

AUSTRALIA — Markets closed mixed with selective support evident among some key issues. BHP closed unchanged at $A7.50 and CSR gained 7 cents to $A4.55.

Peko-Wallsend and Pancontinental were steady, while North Broken Hill and MIM edged up. Utah and Robe River each rose but Queensland Mines fell. BH South, Poseidon, Ampol Ex, Ocean Resources and Mt. Lyell all eased.

TOKYO—The market closed lower in very active trading as Blue Chips encountered profit-taking.

JOHANNESBURG—Nearly all Golds closed lower on the day *although slightly above their* lowest. De Beers shed three cents to R3.50. Coppers and Platinums were lower too.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Nat Semiconductor	431,900	33⅜	−2⅞
Westinghouse Elect	314,700	17⅝	−⅜
Xerox Corpn.	276,700	62¼	−1⅞
Kresge SS	252,100	39⅜	−⅜
Citicorp.	247,500	30⅜	−1⅛
General Motors	235,100	72⅝	−⅜
Polaroid	197,400	42¼	−1⅞
Dow Chemicals	186,100	40⅝	−⅜
Amer. Tel. and Tel	176,500	60⅛	+⅛
Eastern Gas & Fuel	172,500	24	−1⅛

Indices

NEW YORK —DOW JONES

	Oct. 1	Sept. 30	Sept. 29	Sept. 28	Sept. 27	Sept. 24	1976 High	1976 Low	Since compilation High	Since compilation Low
Industrial	979.59	990.19	991.19	994.98	1016.15	1009.81	1014.79 (21/9)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (2/7/32)
Home B'nds*	89.39	89.26	89.18	89.18	89.50	89.44	94.85 (25/8)	85.62 (1/7)	—	—
Transport	215.10	217.34	217.22	219.29	221.46	221.54	231.77 (14/7)	175.69 (2/1)	279.88 (7/2/69)	13.23 (2/7/32)
Utilities	97.74	97.78	97.84	98.16	98.26	97.81	99.02 (21/9)	84.5 (26.5)	163.32 (20/4/69)	10.58 (8/4/32)
Trading vol. 000's	20,620	14,700	18,030	20,440	17,460	17,400	—	—	—	—

* Basis of index changed from July 1.

Ind. div. yield %	Sept. 24	Sept. 17	Sept. 10	Year ago (approx.)
	3.80	3.85	3.87	4.67

STANDARDS AND POORS

	Oct. 1	Sept. 30	Sept. 29	Sept. 28	Sept. 27	Sept. 24	1976 High	1976 Low	Since compilation High	Since compilation Low
*Industrials	118.90	118.07	118.22	118.81	120.39	119.81	120.89 (21/9)	101.64 (2/1)	134.54 (11/1/73)	3.52 (30/6/32)
†Composite	104.17	105.24	105.37	105.92	107.26	106.80	107.83 (21/9)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	Sept. 29	Sept. 22	Sept. 15	Year ago (approx.)
Ind. div. yield %	3.46	3.40	3.49	3.96
Ind. P/E Ratio	11.97	12.21	11.82	11.58
Long Govt. Bond yield	5.23	5.16	5.22	6.10

N.Y. S.E. ALL COMMON

Oct. 1	Sept. 30	Sept. 29	Sept. 22	1976 High	1976 Low
55.70	56.23	56.30	56.56	57.51 (21/9/76)	47.05 (2/1/76)

Rises and Falls	Oct. 1
Issues Traded—1,883	Up—458
Down—989	Same—436
New Highs 43	New Lows 29

	Oct. 1	Sept. 30	Sept. 29	Sept. 28	1976 High	1976 Low
MONTREAL Industrial	183.87	184.80	184.81	186.11	207.55 (19/5)	178.82 (2/1)
MONTREAL Combined	184.00	184.88	184.56	186.45	199.78 (20/5)	175.87 (2/1)
TORONTO Industrial	184.31	184.84	184.82	185.82	197.46 (20/2)	178.01 (2/1)
JOHANNESBURG Gold	140.8	141.6	—	147.0	228.7 (12/5)	115.8 (29/9)
JOHANNESBURG Industrials	183.2	187.6	—	188.6	216.0 (21/6)	177.1 (30/9)

	Oct. 1	Previous	1976 High	1976 Low
Australia (a)	466.26	465.67	522.56 (19/8)	446.22 (6/1)
Belgium (b)	92.70	92.78	115.12 (5/8)	92.54 (16/9)
Denmark (d)	107.60	107.14	117.70 (19/2)	100.30 (10.5)
France (e)	58.3	58.4	74.5 (5/5)	58.2 (1/10)
Germany (f)	749.9	744.0	821.7 (17.5)	721.9 (9/1)
Holland (g)	81.0	80.6	106.5 (5/2)	80.6 (30/9)
Hongkong (h)	413.93	402.94	465.32 (17/5)	354.56 (2/1)
Italy (k)	76.17	76.57	91.57 (25/2)	72.00 (4/5)
Japan (m)	366.01	357.73	359.61 (1/9)	322.11 (27/4)
Singapore (n)	269.14	267.35	286.16 (5/3)	255.55 (2/1)
Spain (p)	80.43	81.02	100.79 (7/0)	78.44 (9/9)
Sweden (q)	409.98	437.12	475.86 (10/8)	386.36 (19/1)
Switz'rl'd (r)	275.0	274.3	298.6 (12/5)	269.1 (15/9)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10): (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/72. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. *(p) Madrid SE 31/12/74. (q) Stockholm* Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 400 Industrials. † 400 Inds., 40 Utilities, 40 Finance and 20 Transport. *(c) Closed.*

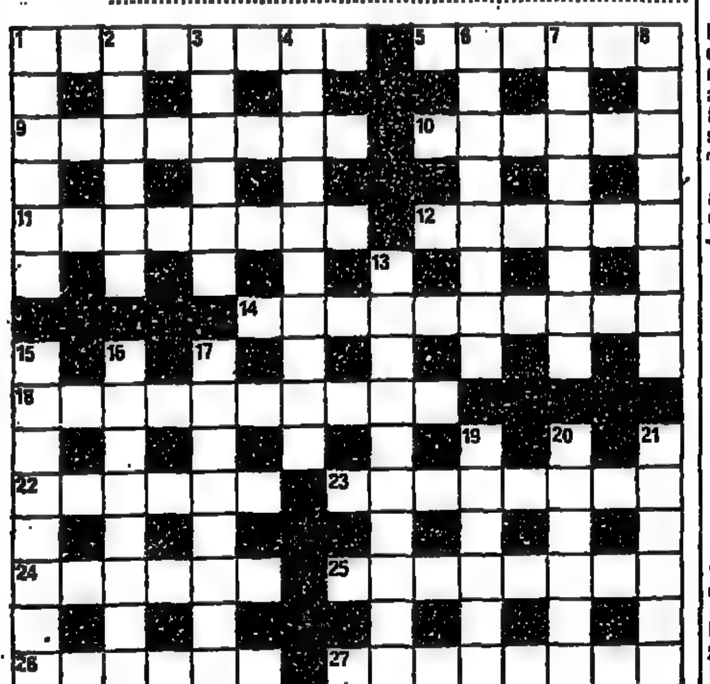
F.T. CROSSWORD PUZZLE No. 3,198

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



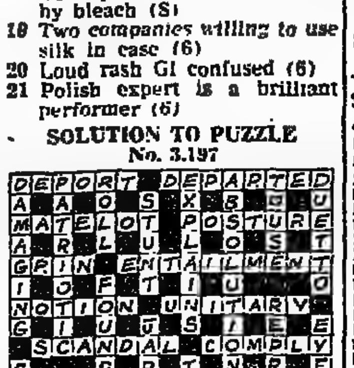
ACROSS

1 Two girls remembering plant (8)
5 Take after partisan's badge (6)
9 Keep out the cold to get things under control (6, 2)
10 Hang on—there's a very quiet finish (6)
11 Devotee entertaining in window (8)
12 Stops Bill having wine (6)
14 Risky having style as well as energy (5, 3, 2)
18 100 per cent. union business not operating (6, 4)
22 Result of a towering hit at Lords (6)
23 Everybody on ring road goes to doctor (8)
24 Not easily moved south to cover (6)
25 Worship loyalty (8)
26 Uninteresting study of English poet (6)
27 Boxer holding on to telling point (8)

DOWN

1 Slap in the face concerning polish (6)
2 Smooth as silk but of sex-appeal very little (6)
3 Not taking the long-term view of work I do in charge (6)
4 Disturbance during approximate end of bingo (5, 5)
6 Letter from abroad to Sun about radiation (5, 3)
7 Superior team taken from ship to barge (8)
8 Editor appearing at Bolshoi theatre (8)
13 Summons intended to make listeners class conscious (6, 4)
15 Airman swore he was ill-fated (8)
16 Drudge who follows substantial character (8)
17 Do expire when transformed by bleach (8)
19 Two companies willing to use silk in case (6)
20 Loud rash GI confused (6)
21 Polish expert is a brilliant performer (6)

SOLUTION TO PUZZLE No. 3,197



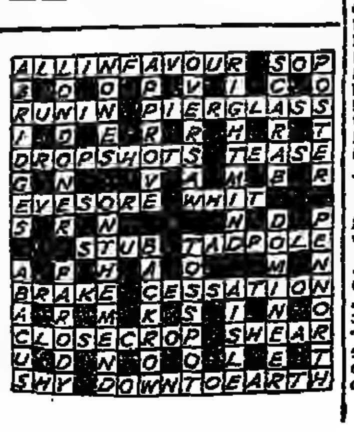
SOLUTION AND WINNERS OF PUZZLE No. 3,192

Following are the winners of last Saturday's prize puzzle:

E. J. Constable, 4a, Queens Road, Twickenham, Middlesex.

G. C. Counsell, 15, Almscroft Crescent, Gloucester.

W. J. Macaulay, 70, Balerno Drive, Glasgow.



RACING BY DOMINIC WIGAN

Trepan has great chance in Arc

IN ONE of the most open Prix de l'Arc de Triomphe in the race's history, I intend to take a chance with that remarkable fouryear-old *Trepan*, subject of so much publicity on both sides of the Channel this summer.

François Boutin's exceptionally good-looking Breakspear II colt would certainly not be on offer at the 33—1 available now (he *will be coupled in French* betting with stablemate Lagunette) had he justified favouritism in York's Benson and Hedges Gold Cup after his record-breaking performances in the Prince of Wales Stakes and the Joe Coral Eclipse.

Although there appeared to be no valid excuse for his dismal failure on the Knavesmire, where he never looked like taking a hand in the finish, it could be that Trepan was simply feeling the effects of a busy spring and summer campaign in which he had run six times in only 14 weeks.

Traces of caffeine found when he was tested after his Ascot and Sandown triumphs caused forfeiture of the prizes totalling £50,000. Later Trepan again ran disappointingly, finishing fourth *behind Ivanjica in the Prix du* Prince d'Orange.

Although this most recent run, coupled with his poor showing in the Benson and Hedges Gold Cup may rule Trepan out for many people, he has galloped with such zest in his past two races—on one occasion partnered by a highly-impressed Tony Murray—that a return to *winning form seems a good deal* less remote than his odds might suggest.

For those not prepared to give Trepan another chance, I recommend that improving three-year-old *Crow*, whose sire, Exbury, won the Arc 13 years ago.

Crow won the St. Leger with a good deal more in hand than his two lengths verdict over Secret Man suggests, and it comes as no surprise to learn that Yves St-Martin has elected to ride *him in preference to the former* favourite. *Pawneese*, who would have been far better suited by faster conditions.

*Crow, bidding to become St-*Martin's third Arc winner after victories on Sassafras and Allez France, has the pick of the draw at No. 1.

Two others who may take a hand in the finish at long odds are *Infra Green*, returning to something approaching her best, and the senior member of the field, the six-year-old *On My Way*.

In to-day's two important races at Newmarket, the William Hill Middle Park Stakes and the Irish Sweeps Cambridgeshire, I pin my hopes on *Etienne Gérard* and *Frankie*.

LONGCHAMP
Trepan

NEWMARKET
1.45—Konafa*
2.20—Etienne Gerard***
3.00—Frankie**
3.30—Ventrex
4.00—Red Crystal
4.30—Sotto il Vulcan

HAYDOCK
1.45—Miss Rosetta
2.15—Sandford Lady
2.45—Jellaby
3.15—Chasseur

OVERSEAS SHARE INFORMATION

Investment premium based on $2.50 per £—131¼% (132¼%)

NEW YORK

Stock	Oct. 1	Sept. 30
Abbot Labs.	52	52⅛
Addressograph	10⅛	11
Aetna Life & Cas.	31⅛	32⅜
Air Products	35⅛	36
Alcan	12⅞	12⅞
[illegible]	[illegible]	[illegible]

CANADA

Stock	Oct. 1	Sept. 30
Abitibi Paper	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

GERMANY ♦

Oct. 1	Price Dm.	+ or −	Div. %	Yld. %
A.E.G.	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

PARIS

Oct. 1	Price Frs.	+ or −	Div. Frs.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MILAN

Oct. 1	Price Lire	+ or −	Div. Lire	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

TOKYO ¶

Oct. 1	Prices Yen	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Source Nikko Securities, Tokyo.

COPENHAGEN

Oct. 1	Price Kroner	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OSLO

Oct. 1	Price Kroner	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STOCKHOLM

Oct. 1	Price Kronor	+ or −	Div. Kr.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AUSTRALIA

Oct. 1	Aust. $	+ or −
[illegible]	[illegible]	[illegible]

AMSTERDAM

Oct. 1	Price Fls.	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

VIENNA

Oct. 1	Price %	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BRUSSELS/LUXEMBOURG

Oct. 1	Price Frs.	+ or −	Div. Frs.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SWITZERLAND ♦

Oct. 1	Price Frs.	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

JOHANNESBURG

MINES

Oct. 1	Rand	+ or −
[illegible]	[illegible]	[illegible]

INDUSTRIALS

Oct. 1	Rand	+ or −
[illegible]	[illegible]	[illegible]

SPAIN ♥

Oct. 1	Per cent	+ or −
Asland	209	− 5
Banco Lopez Quesada	480	—
Banco Bilbao	598	−12
Banco Atlantico (1,000)	447	−25
Banco Central	490	−14
Banesto (250)	434	− 3
Banco Exterior	513	—
Banco General	528	−10
Banco Granada (1,000)	311	—
Banco Hispano	379	− 7
Banco Iberico	440	− 6
Induban	310	—
Banco Ind. Cat. (1,000)	347	—
Banco Mercantil (1,000)	205	—
[illegible]	[illegible]	[illegible]
Gal. Preciados	302	—
Grupo Velazquez (400)	252	−13
Hidrola	136.75	+ 0.50
Iberduero	137	+ 0.50
Motor Iberica	210	− 6
Olarra	350	—
Papeleras Reunidas	159	− 8
Petroliber	—	—
Petroleos	409	+ 1
Sarrio Papalera	200	—
Sniace	75	− 1
Telefonica	152	—
Tabacex	322	—
Union Elec.	112	—
Union y Fenix	485	− 3
[illegible]	[illegible]	[illegible]

BRAZIL

Oct. 1	Price Cruz	+ or −	Cruz. Div.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Vol. Cr. 67.8m. shares 18.1m. Source—Rio de Janeiro S.E.

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax. [illegible]

F.T.-ACTUARIES SHARE INDICES

QUARTERLY VALUATION

The market capitalisation of the sub-sections of the F.T.-Actuaries shares indices as at Sept. 30, 1976 expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for the two preceding quarters. These valuations are published quarterly and are made by Extel Communications (Exchange Telegraph Group) on an I.B.M. 370 computer.

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses denote number of stocks)	Market capitalisation as at Sept. 30, 1976 (£m.)	% of all share index	Market capitalisation as at June 30, 1976 (£m.)	% of all share index	Market capitalisation as at March 31, 1976 (£m.)	% of all share index
1	CAPITAL GOODS GROUP (179)	4,879.6	14.83	5,673.3	15.07	6,151.7	15.60
2	Building Materials (30)	975.0	2.96	1,104.1	2.94	1,285.0	3.24
3	Contracting and Construction (23)	377.5	1.15	434.1	1.15	530.0	1.34
4	Electricals (16)	1,191.3	3.62	1,394.5	3.70	1,399.1	3.55
5	Engineering (Heavy) (13)	182.1	0.55	222.9	0.59	222.6	0.57
6	Engineering (General) (64)	1,683.6	5.12	1,949.7	5.18	2,115.8	5.37
7	Machine and Other Tools (9)	48.5	0.15	55.6	0.15	57.8	0.15
8	Miscellaneous (24)	421.6	1.28	512.4	1.36	545.4	1.38
9	CONSUMER GOODS (DURABLES) GROUP (53)	1,211.4	3.68	1,485.9	3.95	1,622.6	4.12
10	Lt. Electronics, Radio and TV (15)	620.2	1.88	772.2	2.05	905.1	2.30
11	Household Goods (13)	152.4	0.46	185.5	0.50	209.8	0.53
12	Motors and Distributors (25)	438.8	1.34	528.2	1.40	507.7	1.29
13	CONSUMER GOODS (NON-DURABLES) GROUP (169)	9,181.2	27.90	10,654.0	28.30	11,115.2	28.19
14	Breweries (15)	978.2	2.97	1,154.7	3.07	1,118.3	2.84
15	Wines and Spirits (7)	477.7	1.45	583.9	1.55	595.1	1.51
16	Entertainment and Catering (14)	571.2	1.74	675.7	1.79	727.6	1.85
17	Food Manufacturing (23)	1,701.1	5.17	1,966.6	5.22	2,044.6	5.19
18	Food Retailing (16)	619.1	1.88	731.1	1.94	735.5	1.87
19	Newspapers and Publishing (16)	255.4	0.78	273.8	0.73	278.3	0.71
20	Packaging and Paper (12)	285.2	0.87	319.0	0.85	357.9	0.91
21	Stores (34)	2,176.6	6.61	2,611.4	6.94	2,825.0	7.16
22	Textiles (23)	644.4	1.96	769.1	2.04	856.1	2.17
23	Tobacco (3)	1,416.6	4.30	1,508.5	4.01	1,522.7	3.86
24	Toys and Games (6)	55.7	0.17	60.3	0.16	54.1	0.14
	OTHER GROUPS (93)						
25	Chemicals (26)	3,308.7	10.05	3,853.5	10.23	3,822.1	9.69
26	Office Equipment (9)	412.5	1.25	498.3	1.32	494.5	1.25
27	Shipping (12)	481.4	1.46	503.5	1.34	521.2	1.32
28	Miscellaneous (unclassified) (48)	1,714.6	5.21	1,950.8	5.18	2,132.5	5.40
29	INDUSTRIAL GROUP (496 SHARES)	21,189.4	64.38	24,619.1	65.39	25,859.8	65.58
30	Oils (4)	4,455.8	13.54	4,745.7	12.60	4,631.1	11.74
31	500 SHARE INDEX	25,645.2	77.92	29,364.8	77.99	30,490.9	77.32
32	FINANCIAL GROUP (100)	5,496.9	16.70	6,350.5	16.87	6,959.9	17.60
33	Banks (6)	1,696.5	5.15	1,903.8	5.06	1,946.3	4.94
34	Discount Houses (10)	77.4	0.24	95.5	0.25	98.1	0.25
35	Hire Purchase (5)	96.3	0.29	116.7	0.31	155.0	0.39
36	Insurance (Life) (10)	612.2	1.86	697.0	1.85	855.5	2.16
37	Insurance (Composite) (7)	1,464.3	4.45	1,637.5	4.35	1,912.5	4.85
38	Insurance (Brokers) (9)	401.6	1.22	438.8	1.17	442.1	1.12
39	Merchant Banks, Issuing Houses (15)	244.1	0.74	333.7	0.89	383.6	0.97
40	Property (32)	834.1	2.53	1,036.2	2.75	1,064.3	2.70
41	Miscellaneous (6)	70.4	0.21	92.5	0.25	99.8	0.25
42	Investment Trust Group (50)	1,769.6	5.38	1,935.4	5.14	2,003.2	5.08
43	ALL-SHARE INDEX (650 SHARES)	32,911.7	100	37,650.7	100	39,433.0	100

Club wines fetch £37,000

BY ANTONY THORNCROFT

PORT AND other wine from the cellars of the now defunct United Service and Royal Aero Club fetched £37,521 at Christie's yesterday. All the lots sold and prices generally exceeded expectations. An American buyer paid £190 for a dozen Cockburn 1947 and Taylor 1948 was making £165 a dozen.

The week of wine sales at Christie's brought in about £700,000, underlining the importance of London salerooms in clearing surplus wines from Bordeaux and establishing price levels.

Christie's also held a routine old master sale yesterday, making £59,405. A painting of Aeneas and Anchises, unframed and unstretched and estimated at only £70-£120, was bought by Somerville and Simpson for £1,700.

Half price to Dublin

INCREASED CARGO traffic to Dublin has brought a bonus for travellers. British and Irish Steam Packet yesterday halved the single fare to £5 on extra sailings between the Mersey and Dublin on Tuesdays and Wednesdays this month, leaving Liverpool at noon and Dublin at 11 a.m.

The extra sailings are primarily to accommodate freight because cargo sailings from Liverpool and Fleetwood are very heavily booked.

COMMODITIES/Review of the week

Sterling the dominant influence

BY OUR COMMODITIES STAFF

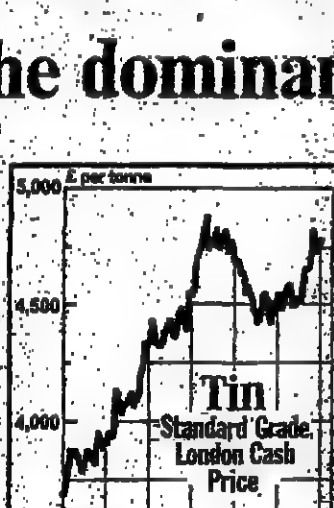
THE STERLING crisis was the most dominant feature in commodity markets this week although the reaction to the steep drop in the value of the £ was by no means uniform.

Many of the sharp gains made in most markets early in the week were offset later by equally sharp declines following profit-taking sales.

Cocoa soared to new all-time peaks on the London terminal market on Wednesday in the initial upward burst following the collapse in sterling. Weakness in New York brought a sudden turnround, however, and the market never fully regained the lost ground. Nevertheless, the March position closed substantially higher last night at £1,629.25 a tonne, a rise of £140.75 on the week.

In view of the surge in prices already a forecast by the International Cocoa Organisation (ICCO) of a world deficit of 80,000 tonnes from the 1976-77 world crop failed to make much impact. The ICCO estimated gross world output at 1,424,000 tonnes compared with the 1975-1976 revised estimate of 1,502,000 tonnes and total grindings at 1,490,000 tonnes the same as in the past season.

London coffee futures also set new records this week with the



Robusta January position trading at a new peak of £1,809 a tonne early yesterday. By the end of the day values had moved to even higher levels closing at another new peak of £1,831.5—up £149.5 on the week.

Most comment on coffee over the past few days had centred on the conflict of opinions over the size of the Brazilian crop. The U.S. Department of Agriculture thinks the Brazilians will harvest 9.5m. bags in 1976/1977 out of a world crop of 62.1m.

World sugar values jumped up sharply in mid-week on the weakness in sterling and against a background of rumours of pending purchases which never quite materialised. As a result the London daily price for raws which rose to £129 a ton at one stage was down to £118 yesterday still £7 up on the week.

On the London Metal Exchange, tin prices were most affected by the sterling crisis, although all markets were influenced to some extent by movements in the value of the £. Tin values moved fairly narrowly in the Penang market reflecting the basic lack of any fresh fundamental supply-demand developments. But the London cash price closed last night £132.5 up on the week at £4,782.5 a tonne.

A small rise in warehouse stocks is predicted, and the anticipated announcement about U.S. stockpile objectives may be a more powerful influence, together with sterling, on the future trend of prices.

Significantly copper prices ended slightly down on the week despite the fall in sterling.

Lead and zinc prices followed the trend in copper, although lead was boosted yesterday by news of price increases in the U.S. to 26 cents a pound by two leading producers.

WEEKLY PRICE CHANGES

	Latest prices per ton unless stated	Ch'ge on week	Year ago	1976 High	1976 Low
Metals	[illegible]				

	Latest prices per ton unless stated	Ch'ge on week	Year ago	1976 High	1976 Low
Spices	[illegible]				
Oils	[illegible]				
Seeds	[illegible]				
Other Commodities	[illegible]				

MARKET REPORTS

BASE METALS

COPPER—Steady on the London Metal Exchange in relatively quiet trading. Forward metal opened at £873 and with sterling appearing stronger fell to £868. At this level German buying and consumer demand, mainly covering against physical purchases came into the market and pushed the price to £875. In the afternoon a strong Comex opening, weaker sterling and more physical business with sellers reluctant caused a further advance to £878, but then the market drifted to close on the Kerb at £875.5. On balance there was a fall of £1 over the week. Turnover 15,250 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	841.5-2	+4.5	845-6	+8.5
3 months	874-.5	+5	877.5-8	+6
Settlem't	842	+4.5	—	......
Cathodes				
Cash	829-.5	+3	831-3	+7.5
3 months	861-.5	+3.5	863.5-4.5	+5.5
Settlem't	827.5	+3	—	......
U.S. Smt.	—	......	*74	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £842, three months £872, 73, 73.5, 74, 74.5, 75, 74.5. Cathodes, cash £828, three months £861.5, 1. Kerb: Three months £874, 74.5, 74. Cathodes, three months £861.5. Afternoon: Three months [illegible]

TIN—[illegible]

LEAD—[illegible]

ZINC—[illegible]

SILVER

Silver was fixed 4.25p an ounce higher for spot delivery in the London bullion market yesterday at 260.05p. U.S. cent equivalents of the fixing levels were: spot 436.0c, down 3.4c; three-month 439.0c, down 3.6c; six-month 442.9c, down 4.5c; and 12-month 455.7c, down 4.7c. The metal opened at 258-260p (433-435c) and improved slightly by the close to 262.2-262.3p (435½-437½c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	260.05p	+0.25	262.05p	+2.3
3 months	269.15p	+0.35	271.05p	+1.9
6 months	279.2p	+0.4	—	......
9 months	—	......	283.5p	+2
12 months	298.2p	+0.7	—	......

LME—Turnover 164 (202) lots of 10,000 ozs. Morning: Cash 260.7; three months 269.0, 9.2, 9.5, 9.6, 9.9, 9.8. Kerbs: Three months 269.9, 9.7. Afternoon: Three months 271.3, 1.7, 1.3, 1.0, 1.2, 1.1, 1.0. Kerbs: Three months 271.2, 1.5, 1.0.

COCOA

In the absence of any significant first-hand activity, prices moved erratically over a broad range to close near the highs of the day, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No. 6 Contr'ct			
December	1680.0-70.0	+10.50	1670.0-20.0
March	1629.0-29.5	+30.75	1662.0-588.0
May	1593.0-94.0	+14.60	1595.0-50.0
[illegible]			

COFFEE

[illegible]

RUBBER

SLIGHTLY STEADIER opening on the London physical market. [illegible]

FREIGHTS

DRY CARGO—[illegible]

however, from St. Lawrence to Alexandria $14.25 fio Oct. and from Toledo to U.K. $19.65 fio Oct.-Nov. also from Chicago to Bordeaux/Amsterdam $15.60 fio for Oct. Cargo of grain was also covered from the U.S. Gulf to Venezuela $10 fio Oct. and another from U.S. Gulf to Bilbao $9 fio Oct.

SOYABEAN MEAL

[illegible]

SUGAR

LONDON DAILY PRICE (raw sugar) £118.00 [illegible]

WOOL FUTURES

LONDON—Market improved throughout the day except for spot months which were about unchanged on greater volume, reports Bache.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets [illegible]

COVENT GARDEN (prices in sterling) English produce: Apples—Per pound, Bramley's Seedling [illegible] ... Cox's Orange Pippin 0.08-0.12, Lambourne 0.06-0.08. Pears—Per pound, Conference 0.04-0.07, Beurre Hardy 0.05. Tomatoes—Per box 12-lb 0.70-0.90. Cucumbers—Per box 1.00-2.00. Mushrooms—Per pound 0.30-0.40. Potatoes—Per bag 3.00-4.00. Carrots—Per net 12½-kg., 0.80-1.40. Celery—Per 12/18 0.60-0.80, prepacked 18/20 3.00. Lettuce—Per 12 round 0.50, Webbs 0.80. Onions—Per net 25-kg. 3.60-4.00. Picklers No. 1 2.20, Cocktail 1.30. Marrows—Per box 15/25 1.20. [illegible]

JUTE

DUNDEE—Firmer. [illegible]

GRAINS

THE BALTIC—[illegible]

U.S. Markets

Silver falls as copper is lifted

NEW YORK, Oct. 1.

COPPER closed higher on local short covering. On the other hand, local liquidation caused silver to close lower. Grain market closed lower on late hedge selling. Coffee market closed higher on aggressive trade buying near the close. Sugar market closed higher on Commission House buying, Bache reports.

Cocoa—Ghana spot 132? (137). Dec. 117.70 (120.95), March 112.70 (115.95), May 108.70, July 104.30, Sept. 100.30, Dec. 93.85, March nil. Sales: 1,420.

Coffee—"C"—Contract: Dec. 169.00 (166.25), March 161.50 (159.07), May 158.00-158.20, July 157.00, Sept. 155.60, Dec. 151.50, March nil. Sales: 1,079.

Copper—Oct. 63.80 (63.00), Nov. 63.50 (63.20), Dec. 64.30, Jan. 64.80, March 65.50, May 66.90, July 67.90, Sept. 68.90. Sales: 3,650.

Cotton—No. 2: Oct. 79.00 (78.50), Dec. 80.90 (78.90), March 81.85, May 82.25-82.50, July 79.95, Oct. 71.70-71.80, Dec. 67.90-68.40, March 68.10-68.50. Sales: 6,550.

‡Gold—Oct. 115.60 (115.70), Nov. 115.80 (115.90), Dec. 116.00, Feb. 116.30, April 116.80, June 117.30, Aug. 118.10, Oct. 118.90, Dec. 119.70, Feb. 120.50. Sales: 1,198.

Greasewool—Spot 180.0 nom. (same). Oct. 172.5-181.0 (172.5), Dec. 177.5-182.0 (177.5), March 177.5-186.0, May unquoted.

†Lard—Chicago loose 17.75 nom. (same). NY prime steam 19.25 traded (same).

††Maize—Dec. 264¼-264½ (266½), March 272½-273 (275½), May 279¼-278, July 281, Sept. 272¾, Dec. 265.

‡Platinum—Oct. 162.90 (161.00), Jan. 165.90 (164.00), April 169.00, July 171.40, Oct. 174.40, Jan. 178.70. Sales: 479.

†‡Silver—Spot 436.00 (473.00), Oct. 433.50 (433.90), Nov. 435.40 (425.60), Dec. 437.60, Jan. 439.60, March 443.00, May 447.30, July 452.10, Sept. 457.00, Dec. 464.50, Jan. 467.40. Sales: 6,230.

Soyabeans—Nov. 621-619 (622), Jan. 628½-627½ (633½), March 635-636, May 638, July 636-637, Aug. 635.

§Soyabean Meal—Oct. 170.00-170.50 (173.50), Dec. 175.30-176.00 (179.50), Jan. 177.00-177.50, March 180.00-179.50, May 181.00-180.50, July 181.00-181.50, Aug. 180.50.

Soyabean Oil—Oct. 20.65-20.70 (21.00), Dec. 20.90-21.00 (21.27), Jan. 21.15-21.05, March 21.25-21.30, May 21.33, July 21.30, Aug. 21.25-21.30.

Sugar—No. 11: Spot 8.10 (8.05), Jan. 8.61 nom. (8.64 nom.), March 8.84-8.85 (8.82), May 9.20-9.28, July 9.37-9.40, Sept. 9.54 nom., Oct. 9.58-9.60, Jan. unquoted, March 9.95-10.00. Sales: 3,264.

Tin—365.00-367.00 asked (364.00-367.00 asked).

**Wheat—Dec. 234-254½ (255½), March 298-295½ (300½), May 302½, July 305½-306, Sept. 313, Dec. 322.

WINNIPEG, Oct. 1. ††Rye—Oct. 236 bid (239), Nov. 229 asked (242½ asked), Dec. 241½, May 260, July 106 asked.

c Oats—Oct. 121½ bid (120), Dec. 122½ bid (122½ asked), May 92.50 bid, July 86.90 nom.

§Barley—Oct. 189½ bid (187½ bid), Dec. 193 bid (192½ bid), May 92.50 bid, July 93.90 bid.

d Flaxseed—Oct. 687½ (687 bid), Nov. 695 bid (same), Dec. 699-700, May 285.20 asked, July 285 nom.

Wheat—SCWRS 13.5 per cent. protein content cif St. Lawrence 350½ (355).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. [illegible]

FINANCIAL TIMES

Oct. 1	Sept. 30	Month ago	Year ago
240.38	239.82	235.40	176.75

(Base: July 1, 1952=100)

REUTER'S

Oct. 1	Sept. 30	Month ago	Year ago
1513.3	1498.5	1463.7	1155.1

(Base: September 18, 1931=100)

DOW JONES

[illegible]

MOODY'S

[illegible]

I.G. Index 01-351 3466 December Cocoa 1,661-1,671

Motor racing

Uphill struggle for Hunt

BY BRIAN AGER

Only a major upset can prevent it now. Niki Lauda looks set to retain his title as motor racing world champion.

There are still three races to go in the series—tomorrow's Canadian Grand Prix and the U.S. and Japanese events—but James Hunt and Jody Scheckter are the only two drivers who could possibly (just possibly) finish up with more points than Lauda.

Hunt's chance of winning the championship faded last week when the International Automobile Federation decided to deprive him of his British Grand Prix victory and awarded the race to Lauda. This leaves Lauda with 64 points, Hunt 47 and Scheckter 40.

Nine points are awarded for a win, six for second place, four for third, three for fourth, two for fifth and one for sixth. So Hunt could win to-morrow and the next two races and still lose to Lauda. For Hunt's total of 74 points would still not be as high as Lauda's for coming second or even third in all three races.

So the pressure is on Hunt and the McLaren racing team. If Lauda takes his Ferrari into first place to-morrow he will have made certain of the championship. What seem the more likely tactics for Ferrari to adopt, however, is for their other cars to set the pace, forcing Hunt to drive hell-for-leather to keep with them, and leaving Lauda to drive round at his own speed, waiting for Hunt to make a mistake.

Lauda and Ferrari will have done all their sums carefully and will have worked out that if he gains only two points to-morrow and Hunt and Scheckter fail to win any, Lauda will be certain of the championship.

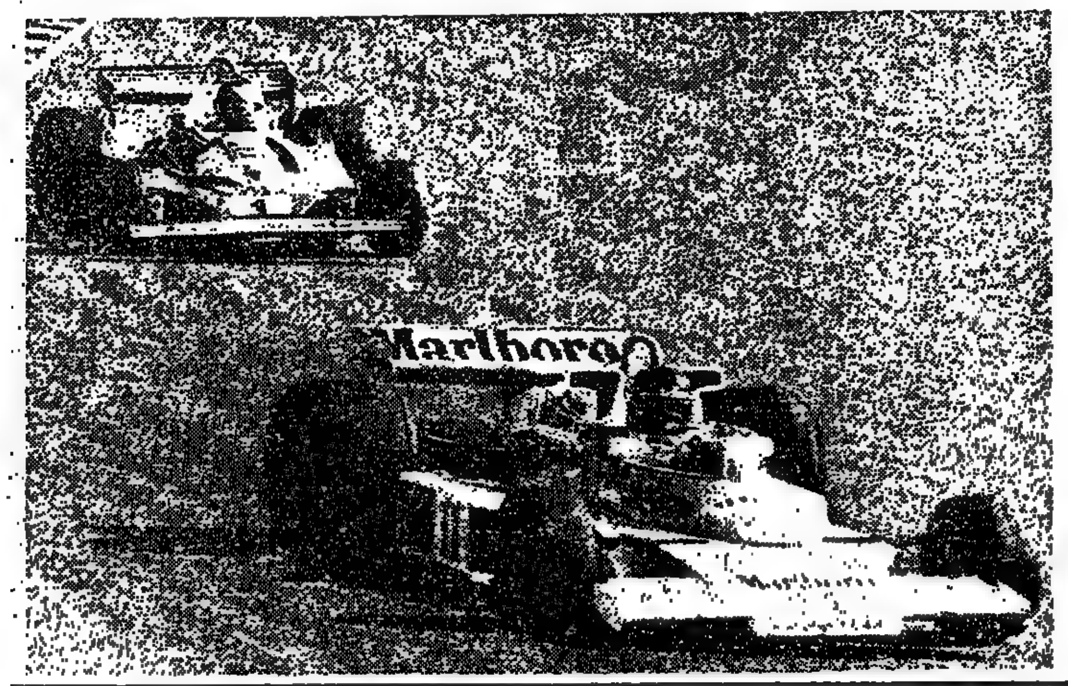
While some drivers will go all out to win the day's race Lauda has always taken the broader view and gained a reputation for being cold and calculating by sometimes settling for a third or fourth place rather than take the risk of challenging the front-runners. His view is simple—his job is to gain enough points for Ferrari to win the championship.

James Hunt has reason to be aggrieved that he is so far behind Lauda in the championship. Off-track decisions rather than on-track action have robbed him of valuable points.

Until Hunt's British Grand Prix victory was overruled, he was just five points behind Lauda. And he failed to score in the Italian Grand Prix after being forced to start from the back of the grid following a questionable ruling about the octane rating of the fuel in his car.

These are the sort of decisions which will continue to mar racing until someone sorts out the complex and often conflicting rules under which it is run. The danger is that both sponsors and fans may be driven away if they have to wait for weeks for a committee to decide who won a race.

But none of this takes away the achievement of Lauda who has fought back to fitness after the German Grand Prix crash which nearly cost him his life. Most (non-British) race fans will agree that there is some sort of justice if Lauda becomes champion again.



Left: The disputed British Grand Prix, with Hunt leading Lauda.

Right: Team McLaren Foreground—James Hunt. (L-R) Roy Reader (Transport manager), Howard Moore (Mechanic), Ray Grant (Mechanic), Lance Gibbs (Tyre tech.), Alastair Caldwell (team manager), Gordon Coppuck (Designer), Edward Mayer (Managing director)

Ashley Ashwood

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. 01-836 3161. ENGLISH NATIONAL OPERA. Tonight and Tues. 7.30 Oel-bar; Wed & Fri 8 Salome. Thu 7.30 Don Giovanni.

COVENT GARDEN. 240 1066 (Gardencharge credit card booking 836 6903). DER RING DES NIBELUNGEN. Mon at 7.30. Das Rheingold; Tues. at 5.30 Die Walkure. Thurs. at 5.30: Siegfried; Oct 9 at 5.30: Gotterdammerung. 65 Amphitheatre seats for all performances on sale from 10 a.m. on day of performance.

SADLER'S WELLS TH. Rosebery Ave. EC1. 837 1672. Evgs 7.30. Mat Sats. 2.30. THE ROYAL BALLET. Today La Fille mal gardee; Mon, Tues and Wed The Four Temperaments, Las Hermanas, The Lady and the Fool. Thur and Fri Concerto, Prodigal Son, Card Game.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Sats. 5.30 & 8.30. Thur. 3.0. IRENE. LONDON'S BEST NIGHT-OUT. "SPECTACLE, CAPTIVATING TUNES AND RACY COMEDY." People. IRENE. "SLICK, SUMPTUOUS...THE MUSICAL IRENE HAS EVERYTHING." D. Exp. IRENE. "WILL TAKE LONDON BY STORM." News of the World. NOW BOOKING TO MARCH 1977.

ALBERY. 836 3878. Evenings at 8.0. Mats Thurs. 3. Sats. 5 and 8.15 sharp. National Theatre production. COLIN BLAKELY in EQUUS by PETER SHAFFER. Directed by John Dexter. "STUNNING AND COMPELLING." STel.

ALDWYCH. 836 6404. Inf 836 5332. Royal Shakespeare Company in Chekhov's IVANOV. "This is a tantalising, infuriating, theatrical entertainment." F. Times. Today at 2.00 and 7.30. In repertoire with Bernard Shaw's THE DEVIL'S DISCIPLE. "This triumphant revival is played by a flawless cast." D. Exp. (Next perf. Oct. 14.) And with Arbuzov's OLD WORLD (Reduced price previews from Thurs). NO PERFS MON, TUES, WED. Box Office open 10-6.

AMBASSADORS. 836 1171. Evgs. 8.00. Mat Tues. 2.30. Sat 5.30, 8.30. HAPPY AS A SANDBAG. 2nd year of Delightful Hit Musical. "Wonderful. Don't Miss It." D. Exp. Dinner Top price seat £6 incl.

APOLLO. 01-437 2663. Evenings 8.00. Mat Thur 3.00. Sat. 5.30 and 8.30. Pauline COLLINS, John ALDERTON "ARE BRILLIANT." D. Express, in CONFUSIONS. "Super Alan Ayckbourn gives audience such a wonderful evening." Sun. Times.

ARTS THEATRE. Mon to Thurs at 8.30. Friday and Saturday 7.30 and 9.15. TOM STOPPARD'S DIRTY LINEN. "Hilarious ... see it." Sunday Times.

CAMBRIDGE. 836 6056. Evenings 8.0. Mat Wed. 3.0. Sat. 5.0 and 8.15. "Mystique of Royalty ... Spectacle. You will get full value." Daily Mail. Peter Wyngarde, Elspeth March. "Nyree Dawn Porter is superb." Mir. ANASTASIA. "Romantic ... Fascinating mystery." D. Tel. Five weeks only. Prices £1-£4.

COMEDY. 930 2578. Last Perfs. To-day 5.30 and 8.15. "THE THRILLER THAT REALLY THRILLS." H. Hobson, S. Times. "The excellent cast." Ev. News. GARY BOND, ANTHONY BATE, HILDEGARD NEIL, ERNEST CLARK. GETTING AWAY WITH MURDER by J. Lee Thompson.

COMEDY. 930 2578. Evenings 8.00. Mat. Thur 3.00. Sat 5.30 and 8.30. Transfers here Monday Oct 4. Winner of all the Awards. BEST PLAY OF THE YEAR. Michael GAMBON in Simon GRAY'S OTHERWISE ENGAGED. Directed by Harold PINTER.

CRITERION. 930 3216. LAST WEEKS. Evgs 8. Mat Thurs 3. Sat 5.30, 8.30. ALEC McCOWEN, MICHAEL BRYANT, JUDY PARFITT, ANNETTE CROSBIE in THE FAMILY DANCE by Felicity Browne. "Very funny, perfect entertainment." S. Tel.

DRURY LANE. 01-836 8108. Evenings 8 sharp. Matinees Wed and Sat 3.00. A CHORUS LINE. "A RARE DEVASTATING, JOYOUS, ASTONISHING STUNNER." Sun. Times.

DUCHESS. 836 8243. Evenings 8.0. Fri Sat 6.15 and 9.0. OH! CALCUTTA! NOW IN ITS 7th YEAR. "Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel. BOOKING THROUGH SPRING 1977.

DUKE OF YORK'S. 01-836 5122. Last perfs today 5.15, 8.30. ALAN BATES in THE SEAGULL. "This seagull made my summer." Jack Tinker, Daily Mail. Dinner Top Price Seat £6 incl. A BEDFULL OF FOREIGNERS transfers here from Victoria Palace Monday.

FORTUNE. 836 2238. Mon-Fri at 8. Sat 5 and 8. Thur 3. Avril ANGERS, Derek BOND in AGATHA CHRISTIE'S MURDER AT THE VICARAGE. 2nd GREAT YEAR.

GARRICK THEATRE. 01-836 4601. Evenings 8.0. Fri Sat 6.0 and 8.40. RICHARD BECKINSALE in "side-splittingly funny." Daily Mail. in FUNNY PECULIAR. "Mike Stott's exceptionally fine, vastly entertaining brilliant comedy." S. Times. "More good laughs than any other play in London." Observer.

GLOBE. 01-437 1592. Evening 8.15. Mat Wed 3.00. Sat. 6.00 and 8.40. PETER BARKWORTH, PETER JEFFREY and PENELOPE KEITH "the funniest woman in the West End." Guardian. DONKEY'S YEARS. "MICHAEL FRAYN'S delightful comedy." Evening Standard. "Two hours of bubbling laughter." Daily Mirror.

GREENWICH. Groom's Hill. SE10. 858 7755. New season opens with SCRIBES by Barrie Keeffe. Oct 6-30.

HAYMARKET. 01-930 9832. Last perfs today 5.00 & 8.15. Edward Woodward, Geraldine McEwan, Stephanie Beacham, Geoffrey Palmer in Frederick Lonsdale's ON APPROVAL. "You should rush to see it." D. Tel. "An evening of comic delight." Harold Hobson, Sunday Times.

HAYMARKET. 930 9832. Opens Wed Oct. 13, 7.00. Prevs. from Tues. Oct 5. Googie WITHERS, Susan HAMPSHIRE, John McCALLUM, Clive FRANCIS, Martin JARVIS and Bill FRASER in The Chichester Festival Theatre's Production of Somerset Maugham's THE CIRCLE.

HER MAJESTY'S. 930 6606. Evgs. at 8. Fridays and Saturdays 5.45 and 8.30. IPI TOMBI. "PULSATING MUSICAL." Evg. News. Seats £3 to 50p.

KING'S ROAD THEATRE. 352 7488. Mon to Thu 9.00. Fri Sat 7.30, 9.30. THE ROCKY HORROR SHOW. BEST MUSICAL OF THE YEAR. "Impossible to overpraise." Punch. NOW IN ITS 4th ROCKING YEAR.

LYRIC. 01-437 3686. Evenings 8.00. Mat Wed 3.0. Sat. 5 and 8.30. SHEILA HANCOCK, JOHN MOFFATT in THE BED BEFORE YESTERDAY. A Comedy by BEN TRAVERS. "STILL THE FUNNIEST COMEDY IN LONDON." Daily Mail.

LYTTELTON (new National Theatre). 928 2252. Today 2.30 and 7.45. Thur. 7.45 BLITHE SPIRIT by Noel Coward. Mon. & Tue 7.45. Wed. 2.30 & 7.45 Jumpers. Fri. 7.45 Weapons of Happiness. Over 100 excellent £1 seats on sale day of performance from 8.30 a.m.

MAYFAIR. 629 3036. 493 2031. Evgs 8.15. Fri. Sat 6.0 and 8.45. ANNA RUSSELL. "She really is the crowned clown queen of musical satire." D. Mail. "Last night's audience hysterical with laughter." F.T. Seats from £1.10. Dinner/Show £6.60.

MERMAID. 248 7656. Food 248 2835. Evenings 8.0. Mat Sat 5.0. FOR KING AND COUNTRY by John Wilson. "A riveting production ... as splendid a play as 'Journey's End'." Daily Express. "Compulsive ... Paul Copley is simply superb." Daily Telegraph. Restaurants open noon and 6.30.

NATIONAL THEATRE. 5p under OLIVIER AND LYTTELTON.

NEW LONDON. Drury Lane. 405 0072. London's New Saucy Comedy—SO WHO NEEDS MEN! First Night Thurs. Oct 7. 7 p.m. Reduced Price Previews Oct 5 and 6 8 p.m.

OLD VIC. 928 7616. Last Perfs. Today 2.30, 7.30. "A BRILLIANT CAST." S. Tms. "GLENDA JACKSON IS SUPERB." F.N. THE WHITE DEVIL.

OLD VIC. 01-928 7616. Previews from Oct. 6. First Night Oct. 11. LEONARD ROSSITER, JOHN STRIDE, DILYS LAYE, JOHN PHILLIPS in PETER BARNES' FRONTIERS OF FARCE by FEYDEAU & WEDEKIND.

OLIVIER (new National Theatre). 928 2252. Mon. next at 5 sharp TAMBURLAINE THE GREAT by Marlowe. Tue. and Wed 7.30. Thur 7.00 Playboy of the Western World. Over 130 excellent £1 seats on sale day of perf. from 8.30 a.m. Personal and phone bookings from midday Monday.

PALACE. 01-437 6834. Mon.-Thur 8.00. Fri. Sat 6.00, 8.40. JESUS CHRIST SUPERSTAR.

PALLADIUM. 01-437 7373. Last perfs today 6.15, 8.45. THE PASADENA ROOF ORCHESTRA, MR. ACKER BILK AND HIS PARAMOUNT JAZZ BAND, THE ROY BUDD TRIO.

PHOENIX THEATRE. 01-836 8611. Evgs. 8.15. Fri. Sat. 5.45 and 8.45. CARTE BLANCHE. "REAL POWER TO STIR SEXUAL EXCITEMENT." Times. "AN EROTIC FAIRY TALE." Sun.

PICCADILLY. 437 4506. Mon to Fri 8.0. Saturday 5.30 and 8.30. Jerome Kern's hit musical VERY GOOD EDDIE. "LOVELY to look at, DELIGHTFUL to hear and HEAVEN to watch." D. Express. "Absolutely enchanting ... I really loved it." N.Y. Times. OVER 200 PERFS.

PRINCE OF WALES. 01-930 8681. Evenings 8.00. Fri Sat 6.0 and 8.45. MICHAEL CRAWFORD, FRANCES CUKA in SAME TIME NEXT YEAR. "SIMPLY GREAT." Daily Mail. "TRIUMPH FOR CRAWFORD." D. Exp.

QUEEN'S. 01-734 1166. Last perfs today 5.30 and 8.30. BEST PLAY OF THE YEAR. Michael GAMBON in Simon GRAY'S OTHERWISE ENGAGED. Directed by Harold PINTER. TRANSFERS TO COMEDY MONDAY.

QUEEN'S. 01-734 1166. Opens Wed 7.0. Subs. Evgs. 8.0. Sat. 5.0 and 8.30. ALEC GUINNESS, NICOLA PAGETT, MARK KINGSTON, ANGELA THORNE in YAHOO. An entertainment based on the life of Jonathan Swift. Box Office open.

RAYMOND REVUEBAR THEATRE. 734 1593. At 7, 9, 11 p.m. (Open Suns.). PAUL RAYMOND presents THE FESTIVAL OF EROTICA '76. FULLY AIR CONDITIONED—You may drink and smoke in the Auditorium.

REGENT. 323 2707. Evenings 8.30. Friday and Saturday 7.00 and 9.15. THIRD ECSTATIC YEAR. New Cast. New Excitement. LET MY PEOPLE COME. AN ADULT MUSICAL. "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROUNDHOUSE DOWNSTAIRS. 267 2564. One Woman play THREE FLAMES with Ann Noble. 8 p.m. until 16 October.

ROYAL COURT. 730 1745. Evenings 8.00. Saturday 5.00 and 8.30. MOTHER'S DAY. A comedy by DAVID STOREY. See also THEATRE UPSTAIRS.

ST. GEORGE'S. 01-609 1198. 49 Tufnell Park Road, Islington, N7 (Tufnell Park Tube). All unsold seats after 7.20 p.m. £1.00 for OAPs and students. Mon Tues 7.30. Wed 2.30 and 7.30. PETER McENERY, SARAH BADEL in ROMEO AND JULIET. Thur Fri 7.30. Sat. 2.30 and 7.30. ALAN BADEL in RICHARD III. SEASON CLOSES OCTOBER 16. THEATRE RE-OPENS MARCH 1.

SHAW. 01-387 1394. Opens Oct 5 at 7.0. Subs. Evgs. 7.30 (Red. price prevs. Sat. Mon 7.30—all seats £1). ROMEO AND JULIET.

SAVOY. 836 8888. Evenings at 8.00. Sat 5.00 and 8.00. Matinees Wed. 2.30. ROBERT MORLEY, GEORGE COLE in BEN TRAVERS' BANANA RIDGE. "HILARIOUS SUCCESS." D. Tel.

ST. MARTIN'S. 836 1443. Evenings 8.00. Mats. Tues. at 2.45 and 5.0 and 8.0. AGATHA CHRISTIE'S THE MOUSETRAP. World's longest-ever run. 24th Year.

STRAND. 01-836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.30 and 8.30. Doris Hare, McDonald Hobley, Arthur Howard, Barry McGinn. NO SEX PLEASE—WE'RE BRITISH. Directed by Allan Davis. SIX HYSTERICAL YEARS.

TALK OF THE TOWN. 01-734 5051. FULL AIR CONDITIONED. From 8.15. Dining and Dancing. At 9.30 Revue SWEET TEMPTATION and at 11 p.m. JULIE ROGERS.

TH. UPSTAIRS. 730 2554. Eve 8.15 (from Mon. Evgs. 7.30) JOINT STOCK in LIGHT SHINING IN BUCKINGHAMSHIRE by Caryl Churchill.

VAUDEVILLE. 01-836 9988. Evgs. 8.0. Mats. Tues. 2.45. Sat 5.00 and 8.15. GERALD HARPER, HANNAH GORDON, UNA STUBBS, PRUNELLA GEE in BAGGAGE. "WITTY AND VERY FUNNY." E. News. THEATRE AIR CONDITIONED.

VICTORIA PALACE. 01-834 1317. Last perfs. today 6.0 and 8.45. TERRY SCOTT, JUNE WHITFIELD. A BEDFULL OF FOREIGNERS. "GENUINELY HILARIOUS." Gdn. Dinner and best stalls £4 inc. (Mon.-Thu.). Transfers Duke of York's Monday.

WHITEHALL. 930 6692-7765. Evgs. 8. Sats. 6 and 8.45. Mats. Wed. 3. BRIAN RIX. "MARVELLOUSLY COMIC." E. News. Terence ALEXANDER, Jane DOWNS. FRINGE BENEFITS. Supper and Top-price seats £5.30 inc.

WINDMILL THEATRE. 437 6312. Twice Nightly at 8.0 and 10.0. PAUL RAYMOND presents RIP OFF. THE EROTIC EXPERIENCE OF THE MODERN ERA. An entire French production. You may drink and smoke in the Auditorium. "Takes to unprecedented limits what is permissible on our stage." Evening News.

WYNDHAM'S. 836 3028. Evenings 8. Saturday 5.15 and 8.30. Millicent Martin, Julia McKenzie, David Kernan, Ned Sherrin in SIDE BY SIDE BY SONDHEIM. "If you are planning to spend an evening in the musical theatre this year I urgently suggest you make it Side By Side By Sondheim. If you are planning to spend two GO TWICE ..." Punch.

CINEMAS

ABC 1 & 2. Shaftesbury Ave. 836 8861. Sep. Perfs. ALL SEATS BOOKABLE. 1. W. C. FIELDS AND ME (AA). Wk. & Sun. 1.30, 5.15, 8.15. (Last 5 days). 2. SEVEN NIGHTS IN JAPAN (A). Wk. & Sun. 2.00, 5.15, 8.15.

CASINO. Old Compton Street. 437 6877. GOODBYE NORMA JEAN (X). Progs. 2.45, 5.20, 8.00. Sun. progs. 3.30, 5.30, 8.00. Late show Sat 11.15.

CURZON. Curzon Street, W.1. 499 3737. Katharine Hepburn, Paul Scofield in A DELICATE BALANCE (AA). Film 2.15 (not Sun.), 3.40, 6.00, 8.20.

EMPIRE. Leicester Square. 437 1234. Seats may be booked at the box office or by post. LOGAN'S RUN (A). Sep. perfs. Progs. 2.30, 5.30, 8.30. Late show Fri. and Sat. 11.30 p.m.

LEICESTER SQUARE THEATRE. 930 5252. Neil Simon's Comedy MURDER BY DEATH (A). Sep. progs. daily 2.30, 5.30, 8.30. Late show Fri. and Sat. 11.45.

ODEON HAYMARKET. 930 2738-2771. TAXI DRIVER (X). Sep. progs. daily 1.30, 4.45, 8.15. Late show Fri. Sat. 11.45. Ft. times Mons.-Sats. 2.05, 5.20, 8.50. Late show Ft. 12. All seats may be booked.

ODEON LEICESTER SQUARE. 930 6111. THE OMEN (X). Sep. progs. daily (not Sun.) 2.55, 5.40, 8.35. Late show Fri and Sat. 11.45. Seats bkble. by post or at Box Office for Mon.-Fri. 8.35 and Sat. and Sun. all progs.

ODEON MARBLE ARCH. 723 2011. BUGSY MALONE (U). There's Never Been a Movie Like It. Sep. progs. daily 2.30, 5.30, 8.30. Late show 11.45 p.m. All seats may be booked.

PLAZA 1 & 2. Lower Regent Street. 437 1234. Sep. perfs. All seats bookable eve perf. Box Office 11 a.m. to 7 p.m. (not Suns.). No phone bookings. 1. OBSESSION (AA). Daily 2.00, 4.05, 6.05, 8.25. Late show Fri. & Sat. 11 p.m. 2. THE TENANT (X). Progs. weekdays 1.30, 3.45, 6.10, 8.35. Late show 11.15 p.m.

PRINCE CHARLES. Leic. Sq. 437 8181. Now in Her 3rd Sensation Year. The One and Only Original EMMANUELLE (X). Sep. perfs daily (inc. Sun.) 2.45, 6.15, 9.00. Late show Fri. & Sat. 11.45. Seats bookable. Licensed Bar.

SCENE 1, 2, 3, 4. Leic. Sq. (Wardour St.) 439 4470. SCENE 1. Cont. perfs. daily 12.30. Late show Fri. & Sat. 11.55. Redford-Hoffman ALL THE PRESIDENT'S MEN. Progs 12.30, 2.55, 5.55, 8.55. Late show Fri and Sat 11.55. SCENE 2. Cont. perfs daily 12.55. Late show Fri. and Sat 12.00. DRUM (X). Progs. 12.55, 3.05, 5.20, 7.30. Late show Fri. and Sat. 12.00. SCENE 3. Cont. perfs daily 1.20. Late show Fri. and Sat. 11.30. THE MESSENGER (A). 1.20, 4.45, 8.05. Late show Fri. and Sat. 11.30. SCENE 4. Cont. perfs daily 12.55. Late show Fri. and Sat. 11.30. JAWS (A). Progs. 12.55, 3.35, 6.25, 9.05. Late show Fri and Sat. 11.50.

WARNER WEST END. Leicester Square. Tel. 439 0791. 1. Redford-Hoffman ALL THE PRESIDENT'S MEN (AA). Sep. perfs. 2.05, 5.05, 8.05. Late show Fri. & Sat. 11.05. 2. LET'S DO IT AGAIN (U). Cont. progs. 1.20, 3.40, 6.00, 8.20. Sun. 3.30, 6.00, 8.10. Late show Sat 11.00. 3. Stanley Kubrick's BARRY LYNDON (A). Ryan O'Neal, Marisa Berenson. Fully air-conditioned. Sep. progs. 2.30, 7.30. Late show Sat. 11.00. 4. Clint Eastwood. THE OUTLAW JOSEY WALES (AA). Sep. perfs. 2.30, 5.30, 8.00. Late show Fri. and Sat. 11.00.

Travel

'Rum punch and 'ree frogs

Y CHRISTINE BURTON

T. LUCIA—Paradise found, emblazoned across the tee-irts but, like that other rthly paradise, the Seychelles, . Lucia will be paradise lost to Britain at any rate—when becomes independent on 12 ecember this year. And the Lucia government has cently anticipated independence by linking the East Caribean dollar—known as a eewee dollar—to the American llar and away from sterling. ie rate of exchange is thus ghtly less favourable to the itish.

However, St. Lucia still presents value for money. A er (the local brewery is lled the Windward and Leeard Brewery) costs about 45p id a basic spirit only a little ore. Everyone's staple tipple ems to be rum punch but it easy to get tired of its rather o sweet taste. I recommend Rum Collins as a very acceptle lime-juice based alternave. A bottle of the potent cal rum from the supermarket ill set you back all of $EC3, it it is 140° proof.

If St. Lucia's independence lebrations are anything like maica's, they will be a topic happy conversation in ten ars' time. So a good time to could well be this December and combine the festivities ith a Caribbean Christmas. rtainly from mid-October to pril the climate is very easant. The temperature is a nstant 80-85°F, there is no in, humidity is low, and on e Atlantic coast especially the nd is warm, dry and refreshg. It needs to be because the n is very fierce. Heed all the arnings you are given, pecially if you have a fair in, because the sun will frizzle ou. My tan, painfully acquired d through a voile shirt, was a ort-lived sensation on my turn to the U.K.

The island of St. Lucia (pronounced St. Looshа) is 28 miles ng and 14 miles wide but on't be fooled into thinking ou can make a whistle-stop our in half a day. It will take ou a good 2½ hours from the uthern tip to Castries, the pital, on 40 miles of winding ountain roads where you may well find that your vehicle sits in a mudbath behind a grinding lorry.

Much of the island's infrastructure was developed by the Americans during the war—they built the airport, a beautifully airy hospital which is even now run by nuns and Peace Corps volunteers, and most of the roads. But because the tropical rains keep removing the surface, road building is like painting the Forth Bridge.

The beaches round St. Lucia's coast are either long sweeping curves or little coves. Mount Gimie is the highest mountain (3,145 feet) and is part of the island's volcanic backbone. Indeed you can actually walk into an area of sulphur springs, if you can bear the smell, and see the steam gushing into the air. At the moment the Government is conducting an experiment to test the practicability of using it as an energy source. Two extinct volcanoes are the Pitons—the Petit Piton and the Gros Piton (2,619 feet) which rise sheer out of the sea on the south west coast—I don't recommend you to climb either but the view of them across the bay is impressive.

Tropical rain forests cover the mountain sides and there is a sea of green vegetation wherever you look. Below these levels you will find the banana plantations, with the clusters of green fruit covered up in Reckitt's Blue Bags to save them from the spray used on the rest of the plant which would otherwise damage the crop.

The flora and fauna is fascinating. There are coconuts—the coconut trees have bands of tin round the trunks to prevent rats climbing up—paw paws, yams, mangoes, breadfruit, limes, plantains, passion fruit, bamboo, soursop, trees called flamboyants—and take a close look at the fruit from which the cashew nut comes. It looks like a red pepper with a bit like a parrot's beak on top, but be careful because the juice from the fruit will blister the skin.

Frangipani grows everywhere—as does hibiscus, bougainvilea, heliconia and oleander. Parasitic orchids have planted themselves into the joints of branches of host trees, like mistletoe does, and grow *straight up out of the nests of* their roots.

There are 40 species of bird in St. Lucia—you won't see them all but you won't miss the tiny black humming bird as it hovers in a bush and then flies away so quickly you can hardly see where it's gone. You'll see too the ring-collared dove and flocks of sea birds squatting facing out to sea on the scrubland just inland from the coast.

Although there are boa constrictors in the jungles on the eastern side of the island you are far more likely just to see domestic animals—scrawny cows, very agile sheep and goats that look so alike that the only way to sort the sheep from the goats is to remember that goats' tails go up and sheep down! One evening a black sow came and suckled her piglets on the grass outside my window. At night you will see pale pink lizards with bulging embryonic eyes, tree frogs hopping about and hear them and cicadas combining in an intrusive chorus. And there is a beetle called a "TingTac" that lights up for a split second.

St. Lucia has alternated between being a British and French protectorate no less than 14 times and her confused history manifests itself in her place names—Les Patiences, Londonderry, Moule à Chique—and in the Patois the St. Lucians speak.

To get about the island, take a local bus like a cattle truck—if you're brave—or take a taxi or hire a car. (If you're a lone woman, prepare your answers in advance for the taxi-driver is bound to chat you up—or at least ask you to travel in the front seat so that his mates will think he's got a white girlfriend. Our driver revelled in the name of Speakeasy and having lived in London E17 for several years he had decided that of the two St. Lucia was more beautiful. Who can blame him?

You can stay in a self-catering apartment or villa—the most intriguing of these were those at Dasheene, built entirely of wood, they are three-sided with the fourth sheltered side open to the view; and at Anse Chastenet where each villa is stepped up the cliff side among the bougainvillea trees—or in hotels. Among these are the Halcyon Days near Vieux Fort, where from November 8 Pegasus Holidays will include all sporting facilities in the basic price; La Toc (it also has apartments) which has its own nine-hole golf course and professional and has an excellent beach for scuba-diving and snorkelling; Steigenberger Cariblue which also has a nine-hole golf course and riding facilities; and the Holiday Inn situated at Reduit Bay, reputed to be the best beach on St. Lucia.

Addresses: Pegasus Holidays (London) Ltd., 2 Lower Grosvenor Place, London, SW1W OEG, who fly out on Mondays and if you go before December 6 will put you up in a London hotel for the previous week-end.

John De Pol, Dasheene, Soufriere, St. Lucia.

Steigenberger Reservation Service, 21, Kensington Church Street, London, W.8.

Rankin Kuhn and Co. Ltd., 19, Queen Street, London, W1X 8AZ.

Your weekend £: Austria 28.58, Belgium 64.60, France 8.19, Italy 1,495, Greece 59.35, Spain 109.25, Switzerland 4.68, U.S. 1.6650. Source: Thomas Cook.

The Gros Piton St. Lucia

Gardening

Going by the book

BY A. G. L. HELLYER

FROM THE spate of books on the subject it would appear that house plants have now become as essential to the British home as they have been for many years past on the Continent. Thomas Rochford and Sons, the Broxbourne-based nurserymen have done as much as anyone to bring about that welcome change, not only by producing and marketing plants of first class quality but also by pioneering new species and varieties and providing some of the most authoritative authors. As long ago as 1961 Tom Rochford and Richard Gorer prepared *The Rochford Book of House Plants*, which was published by Faber and has been my bible on the subject ever since. It is not, and was probably never intended to be, a book for the popular market, but is a solid work of reference which anyone who takes house plants seriously must find indispensable.

It was followed by several more lavishly illustrated books by William Davidson, who is a director of Rochfords and manages the show side of their business. These, no doubt, sold in much greater numbers than their more encyclopaedic predecessor and must have done a lot to spread the love and knowledge of house plants.

Now Mr. Davidson has collaborated with Thomas Christopher Rochford, young Tom, the fourth in the family and son of Tom senior who wrote the *Rochford Book of House Plants*.

This latest book, rather cumbrously called *The Collingridge All-Colour Guide to House Plants, Cacti and Succulents* (Hamlyn, £4.95) is the most handsomely produced to date and succeeds in combining authority with popular appeal in a remarkable way.

It is one of those books you feel at home with straight away, the plant names boldly set at the head of columns where they immediately catch the eye and make reference very easy. It is also one of the best illustrated as its title would suggest, with at least one colour picture for every genus and often several pictures where the complexity of the genus warrants this.

This book also gives an exceptionally comprehensive coverage to cacti and other succulents, an indication, I presume, that these are enjoying an equal rise in popularity, an impression which is confirmed by the larger number of succulents I seen nowadays in garden centres and florists' shops.

Whether more than a handful of them make really good house plants I doubt, and I do not think it is any part of the author's intention to suggest that they *do*, though their linkage with house plants in this book could create that impression. In fact in the preliminary section of the character, distribution and general care of cacti and succulents there is no mention of their use in homes, but frequent references to greenhouse, including a warning not to try to grow succulents in a greenhouse that is unheated or is overshadowed by trees.

All the same some people do succeed very well with some succulents indoors, the small ones, such as many *notocactus* and *mammillaria* species, in *pots on sunny window ledges or* in special cactus "gardens" made in boxes which can be placed near a sunny window, the *epiphytic* kinds, such as the Christmas cactus and the Easter Cactus, in hanging baskets or pots often in much less well lighted places, since these are kinds that grow wild in the branches of trees where they inevitably get a lot of shade. One of the odd thinks about the Christmas cactus is that it behaves as a short day plant if grown in warmth, but is relatively unaffected by day length if grown cold.

If the plants are kept in a normally heated room which is regularly used in the evenings, plants may grow well but fail to flower at all, since artificial lighting prolongs the "day" and prevents the formation of flower buds. The remedy is to remove the plants to a dark place each afternoon from about mid-September and not to bring them back until the family has gone to bed, or even, if more convenient, until the following morning.

Messrs Davidson and Rochford say that commercially they use blackout for about six weeks from mid-September, after which the buds are formed and the plants can be grown normally without bothering about day length.

There are other tricks one can practice with cacti, one of the oddest being to graft variegated portions of a plant on to a normal green stem. The kind most commonly used for this purpose has the unwieldly name *Gymnocalycium mihanorichii*. It has erect, deeply ribbed stems which occasionally develop variegated patches. It is possible to detach fragments of this coloured tissue, induce it to form an offset and then graft this on top of a normal green stem where it will form a ribbed, ball-like head. Such plants are prepared in their thousands for sale and are very popular with the public, though personally I find them rather repulsive. The heads may be red, pink, yellow or occasionally white.

The plant illustrations in this book are all from water colour paintings by two skilful artists. Henry Barnett has prepared all the pictures of house plants and June Baker those of cacti and succulents, both working with living material.

This is also the first book I have read which contains a comprehensive account of the new hydroponic method of growing house plants using expanded clay granules, known as leca, and a resin-based fertiliser which releases its chemicals slowly by what is known as ion exchange.

This takes most of the uncertainty out of cultivation since plants only need feeding about once in six months and topping up with water every week or so to a level indicated by a little float. I have used the method successfully since March and when one *dieffenbachia* recently got its first new phial of fertiliser it responded almost instantly by beginning to drip moisture from the tips of its leaves. Maybe I had left it a shade too long and it was thirsting for a feed, but it shows no trace of distress and has grown splendidly.

Chess

Using a pawn centre

CHESS STRATEGY has become good deal more sophisticated since the time around 1900 when Dr. Tarrasch taught players that control of the centre of the board with a chain of pawns was near-winning advantage.

The hypermodern school of he 1920s, shooting down arrasch centres from long ange with their fianchettoed ishops, the dynamic piece play pproach of the Russians, and ischer's success with sharply recise systems, have all in turn ndermined the once-solid difice of classical theory.

Thus the tendency to-day is to nderestimate the pawn centre nd to view it as a convenient arget for the opponent's pieces ather than a base for the pawn entre player's own attacks.

The theory is that in the ormal situation where White ossesses two pawns abreast at 4 and Q4, Black can gain a rategic advantage if he can ntice one pawn to advance and en occupy the resulting hole ith a knight or another blocading piece. If White advances -Q5, a black knight will try to ettle on K4, while if White plays -K5, then N-Q4 can be the ounter.

Among the most frequent awn centre openings in resent-day chess is the Grunld Defence (named after an ustrian grandmaster) whose onventional moves are 1 P-Q4, -KB3; 2 P-QB4, P-KN3; 3 -QB3, P-Q4; 4 PxP, NxP; 5 -K4, NxN; 6 PxN, B-N2.

When masters think of active play for White's centre, their memories go to games (there are a couple of famous Spassky-Fischer examples) where White either advances P-Q5 and invades Black's Q-side, or further broadens the centre with P-KB4-5 to open the KB file for attack.

Some recent White successes against the Grunfeld have demonstrated a new plan where White advances his KP to K5 and then uses the extra space for a king's side attack with pieces. The new system is not difficult to remember and practice, and although Black in turn is likely to find better resources, it looks as if chess strategists in future will gain fresh respect for classical pawn centres à la Tarrasch.

White: J. H. Timman (Holland). Black: A. Adorjan (Hungary). Opening: Grunfeld Defence (Skopje 1976).

The opening moves were 1 P-Q4, N-KB3; 2 P-QB4, P-KN3; 3 N-QB3, P-Q4; 4 PxP, NxP; 5 P-K4, NxN; 6 PxN, B-N2; 7 B-QB4, O-O; 8 N-K2, P-QN3.

A more straightforward plan is 8...P-QB4; 9 B-K3, N-B3; 10 O-O (the Spassky-Fischer games went 10...Q-B2; 11 R-B1, R-Q1 but this is currently judged rather in White's favour after 12 B-B4, Q-Q2; 13 P-Q5 followed by a king's side attack), N-R4; 11 B-Q3, PxP; 12 PxP, P-N3; 13 R-B1, P-K3 (B-N2; 14 P-Q5!) and now the game Gligoric-Tukmakov, Odessa 1975, introduced the new idea discussed above by 14 P-K5! White's next few moves, and Black's rapid collapse, indicate the strength of the king's side attack with pieces. Gligoric-Tukmakov ended 14...B-N2; 15 N-B4, Q-K2; 16 Q-N4, N-B3; 17 P-KR4, N-N5; 18 B-B4, P-QN4; 19 B-N3, P-KR4; 20 Q-N3 (Q-R3!), KR-B1; 21 B-Q2, RxR? 22 RxR, R-QB1? 23 RxR ch, BxR; 24 Q-QB3, resigns.

9 P-KR4, N-B3; 10 P-R5, N-R4; 11 B-Q3, P-K4 (P-QB4 is met by similar strategy); 12 B-K3, Q-K2; 13 Q-Q2, KPxP; 14 BPxP, B-N2; 15 P-K5! (again the key move) BxNP; 16 R-KN1, B-B6; 17 N-N3 (threatens N-B5), P-KB4; 18 NxP, RxN; 19 BxR, BxRP (if PxB; 20 P-R6); 20 B-K4, R-KB1; 21 R-QB1, Q-KB2; 22 Q-B2, P-B3; 23 R-N3, P-B4; 24 PxP, BxKP; 25 R-N5! Q-B3.

If the bishop moves, then 26 B-Q5.

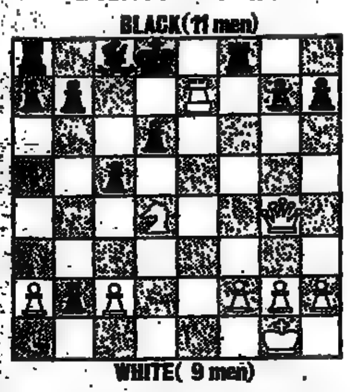
26 P-B6, R-QB1; 27 Q-Q2, resigns.

White's scheme of attack in both games is easy to understand, and the strategy is well worth a trial by any match player who opens with 1P-Q4 and is looking for a convincing reply to the Grunfeld.

Sokolov v. Rushnikov, postal game 1966 (from "It's Your Move" by R. Teschner and A. J. Miles. Batsford, £1.95, a selection of 348 diagrammed positions from recent play). White (to move) has all his pieces attacked, and Black also threatens to queen his pawn and mate. What did White play?

POSITION No. 134

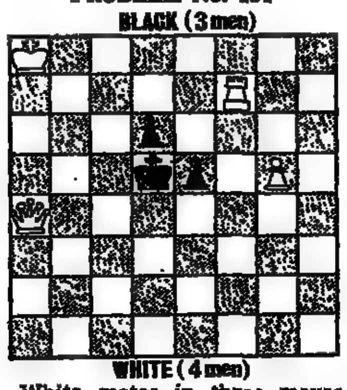
BLACK (11 men)



WHITE (9 men)

PROBLEM No. 134

BLACK (3 men)



WHITE (4 men)

White mates in three moves at the latest, against any defence (by N. Mironenko, USSR 1973).

Solutions, Page 2

LEONARD BARDEN

Bridge

Perfect or imperfect

ELIMINATION IS AN essential ature of the endplay in a suit ntract. Before the final row-in the declarer eliminates om his own hand and from immy the suits which the tended victim could play withit danger. Endplays occur ore frequently than most ayers imagine, so it is clearly good thing to become familiar ith the mechanics of eliminan and throw-in. Here is the st of two hands from rubber idge:

N
♠ J 9 7 5
♡ Q 6 2
◇ 8 5 4 2
♣ A 10
W.
♠ K 2
♡ A K J 10 7
◇ K J 6
♣ Q 8 5
E.
♠ 4
♡ 9 8 5 4
◇ 10 9 3
♣ J 9 6 4 2
S.
♠ A Q 10 8 6 3
♡ 3
◇ A Q 7
♣ K 7 3

At game-all West dealt and one heart, which was followed by two passes, and South re-opened with a bid of two spades. This was raised to three spades by North, and South bid four.

When West led the King of hearts, the declarer could see four possible losers, but at the same time he saw that it was possible to avoid one of them by an endplay. At the second trick West switched to the five of clubs, which was taken by the Ace on the table. South now returned dummy's low heart and ruffed in hand, then cashed the trump Ace and the club King, and ruffed his remaining club on the table.

As the cards lie, it would be safe to ruff the heart Queen and throw West in with a trump, but to cater for the chance, admittedly slight, that East held the trump King, the declarer preferred a loser-on-loser throw-in. He led the heart Queen, discarding the seven of diamonds from hand, and West was securely endplayed. He could cash the spade King, but then he would be forced to give a ruff discard by leading another heart, or play a diamond into the declarer's major tenace.

This elimination was perfect, but at times we may have to be satisfied with the imperfect as my next hand illustrates.

N
♠ 10 2
♡ K 9 3
◇ A 10 8 4
♣ K 10 7 3
W.
♠ K Q J 9 3
♡ 5
◇ Q 7 5
♣ J 9 5 2
E.
♠ 8 7 6 4
♡ 7 4 2
◇ 9 3 2
♣ Q 8 6
S.
♠ A 5
♡ A Q J 10 8 6
◇ K J 6
♣ A 4

North-South were game in when South dealt and bid two hearts. North raised to three hearts—the single raise guarantees an Ace—and South rebid four clubs, to which North replied with four diamonds. After four spades from the opener North bid six hearts, and all passed.

West led the spade King, and South took stock. He had 11 tricks on top, and a two-way finesse for the diamond Queen. He could eliminate clubs, and if the trumps were divided 2-2, he would have a perfect endplay against either defender who took the spade throw-in.

Winning the spade lead, the declarer cashed the trump Queen and the club Ace, led a club to the King, ruffed a club return high, and followed with a trump to dummy's King.

Disappointment — East had started with three trumps. But there was one hope—that West had led from the King, Queen *and* Knave of spades. If he had to take the spade return, the elimination, although imperfect, would be effective.

Ruffing dummy's last club, South led his five of spades, and to his delight West had to win with the Knave. Now West could choose between giving a ruff discard by a spade continuation, or saving the declarer a guess as to the whereabouts of the diamond Queen.

E. P. C. COTTER

Developed lands attacked for 'malign neglect'

BY J. M. M. SUAREZ

MANILA, Oct. 1.

FINANCIAL TIMES
Business in The Pacific Basin
CONFERENCE

THE FINANCIAL TIMES-sponsored conference on Business in the Pacific Basin went into its second day with a stinging attack on the developed countries' "malign neglect" of the problems of the poor nations of the Third World.

The criticism was made by a leading Filipino economist, Mr. Sixto K. Roxas, president of the Bancom Development Corporation here, who said that this neglect could be seen in the "neo-protective measures" adopted by some industrial countries.

He referred to the trebling of tariffs on sugar in the U.S. and a proposed tax on vegetable and marine oils in the European Community, as well as the difficulties being encountered in replenishing the funds of international development institutions like the IDA and UNDP.

Preoccupied

"These are all indications of a malign neglect of the problems of the poor nations," said Mr. Roxas, adding that the industrial countries were more preoccupied with domestic problems than with those of the World and "certainly with those of the Third World."

In spite of all this, he said, South-East Asia in recovering from the effects of the worldwide economic crisis, would fare better than any other region through development policies that encouraged "export substitution"—the export of semi-processed goods rather than raw materials—as opposed to "import substitution."

He also favoured small, decentralised and labour-intensive projects that would develop the rural areas of these countries instead of putting emphasis on large-scale and capital intensive undertakings.

The region's preponderant problems, according to Mr. Roxas, remained:

Population and employment, development of the traditional agricultural sector, stimulation of labour-intentive manufacturing and rationalisation of large-scale industry, and mobilisation of external resources through gains from foreign trade and appropriate foreign capital.

Professor Fritz Machlop of New York University, a consultant to the U.S. Treasury, speaking on trends in the world economy, said: "I am happy whenever the recovery (from recession) is slow, because the faster it is, the deeper and worse will be the next recession."

He warned against the tendency of major countries to synchronise expansion because he believed that "an unbalanced expansion of world GNP is better than the simultaneous expansion we have now," which he claimed "would not only lead to a co-ordinated price inflation, but also invite simultaneous recession."

Speaking about human resources, Mr. Blas Ople, Philippine Labour Secretary, said that South-East Asia enjoyed a comparative advantage over other developing regions in that it had an abundant literate, highly trainable and relatively inexpensive labour force.

This was best exemplified by the 85 per cent. literacy rate of the Philippines, which he said led all developing countries in college enrolment.

Datuk Taib, Malaysian Information Minister, spoke on Improving Relations With Outside Investors, which, he said, could be done by investors scrutinising the "overall control that the government has over its territory . . . and the general acceptance of the government by the people rather than the form that the government assumes in relation to democracy."

Confidence

At the same time, developing countries should strive to maintain investors' confidence in them by "recognising and accommodating the motivating expectations of foreign investors."

The other speakers in to-day's session were: Mr. Yasushi Watanabe, Bank of Tokyo managing director, who spoke on Problems and Prospects Affecting The Japanese Economy, Mr. Ibrahim F. I. Shihata, OPEC Special Fund director general on the Role of the OPEC Special Fund, and Dr. Michael von Clemm, Executive Director of Credit Suisse White Weld, who spoke on How The Investment Climate Looks.

The conference, which was formally opened at the Philippine Central Bank by President Ferdinand Marcos, of the Philippines is co-sponsored by The Banker, the Investment House Association of the Philippines, Investors Chronicle and Malaysian Airline System.

Report calls for big domestic credit cut

BY MICHAEL BLANDEN

A LOAN from the International Monetary Fund is unlikely to be more than a "temporary palliative" for the U.K., it is argued in an assessment by Economic Models, the economic forecasting consultants.

The report also casts a gloomy light on the sterling situation, saying that the $3.9bn. loan request will do little more than cover what has already been spent or committed from the current $5.3bn. short-term loan.

The report suggests that besides the drawings made on the central bank standby—known to have totalled some $1.03bn.—the authorities had made substantial commitments in the forward markets and a consequent liability for funding between September and end-November.

This was "the major cause of the dramatic fall in the exchange rate this week." The main reason for the decision to stop supporting sterling last month was that "the authorities have no more funds—or credit—with which to defend the pound."

The consultants conclude that there has to be a dramatic reduction in domestic credit.

This could be achieved by a combination of a number of measures including further special deposits to reduce banking sector liquidity; import deposits; a firm corset on bank lending; more specific definition of domestic credit expansion and money supply targets; and a genuine reduction in public expenditure.

Until these actions were taken the pound was likely to come under repeated pressure. If domestic credit expansion and the Government's financial deficits were limited by these methods, the present wages agreement should still stand a good chance of being kept in broad terms.

Bradley firmly rejects any idea of coalition

THE PRIME MINISTER was given forthright backing by Mr. Tom Bradley, the retiring moderate chairman, as the Labour Party conference ended yesterday. He firmly ruled out any idea of a coalition.

"There is much mischievous irresponsible and unfounded rumour in the Press about a coalition.

"The only workable coalition, and the only coalition which matters, is the one between the Government, union leaders, and this party."

He appealed to delegates to give backing and undivided loyalty to Mr. Callaghan. "Let's respect his courage, integrity and the calibre and quality of his Government."

This week's SE dealings

Friday, October 1	4,669	Wednesday, September 29	5,114	Monday, September 27	4,126
Thursday, September 30	5,228	Tuesday, September 28	5,202	Friday, September 24	3,665

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. △ Bargains done with or between non-members. ● Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ✤ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mc—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS (878)

CMWEALTH. CORP. STKS. (4)

South Africa 9½pc 82½ (27/9)

FOREIGN STOCKS (4)

COUPONS PAYABLE IN LONDON

U.K. & C'WEALTH RAILS (2)

FOREIGN RAILS (1)

BANKS & DISCOUNTS (265)

CORPN. & COUNTY—U.K. (48)

FREE OF STAMP DUTY

SHORT DATED BONDS FREE OF STAMP DUTY

PUBLIC BOARDS U.K. (26)

FREE OF STAMP DUTY

CMNWLTH. GOVT. & PROV. (12)

REGISTERED & INSCRIBED STOCKS

BREWERIES, DISTILLERIES (113)

CANALS, DOCKS (3)

COMMERCL. INDUSTRL. (2,267)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

BANK RETURN

BANKING DEPARTMENT

ISSUE DEPARTMENT

هكذا من الأصل

T—U—V

W—Y—Z

W Ribbons Hldgs. (10p) 35 (28/9)
Waddington (John) (25p) 92 ½ 90
Wade Potteries (10p) 19
Wadham Stringer (10p) 21
Walker (Alfred) Son (10p) 13 (27/9)
Wallis F. J. (10p) 260 7 5
Ward Goldstone (25p) 79 (30/9)
Ward White Gp. (25p) 20 (30/9)
Wardle (Bernard) (10p) 11 10½
Waring Gillow (Hldgs.) (25p) 540
Warne Wright Rowland (10p) 27½Ø
Warner Holidays (10p) 17½
Warwick Eng. Inv. (20p) 24
Waterford Glass (5p) 26. 10pcPf. 110 (28/9)
Warshams (25p) 120Ø 10
Watson Philip (10p) 41 (30/9)

ELEC. LIGHTING & POWER

FINANCIAL TRUSTS (74)

GAS (12)

INSURANCE (175)

INVESTMENT TRUSTS (264)

UNIT TRUSTS (8)

M.G. American General Fund Accum. Units 480 5 (30/9)
M.G. Dividend Fund Inc. Units 73½Ø 73 5
M.G. Extra Yield Fund Inc. Units 55.4Ø (30/9)
M.G. General Trust Fund Inc. Units 117Ø
M.G. High Inc. Fund Inc. Units 63.4 (27/9)
M.G. Japan General Fund Accum. Units 150Ø (30/9)
M.G. Second General Trust Fund Inc. Units 110 (28/9)

IRON, COAL & STEEL (17)

Bever, Peacock (5p) 22Ø (30/9)
Braithwaite 109½ (28/9)
Broken Hill Prop. ($A2) 800½. New ($A2) 365Ø 55
Dunford Elliott (25p) 18
Hawthorn (R. W.) (50p) 43 4½ (27/9)
Head Wrightson (25p) 350 ½
Neepsend (25p) 28½Ø ½ 8
North British Steel Gp. (25p) 28 (27/9)
Richardson Westgarth (50p) 34 (28/9)
Robb Caledon Shipbuilders (50p) 51Ø 3
Ronksley (10p) 5½Ø
Swan Hunter 38. 7½pcLn. 48 (29/9)
Ward (T.) (25p) 41Ø 40. 9¼pcDb. 64 (27/9)
Whessoe (25p) 38Ø
Woodhouse Rixson (Hldgs.) (12½p) 29Ø 30
Yarrow (50p) 156 (28/9)

MINES

Australian (8)

BH South ($A0.50) 193 (30/9)
Hampton Gold Areas (5p) 103
M.I.M. ($A0.50) 253Ø
North Broken Hill ($A1) 216
North Kalgurli ($A0.30) 8½ 9 (29/9)
Western Mng. Cpn. ($A0.50) 181. New ($A0.50) 108Ø 13

Miscellaneous (56)

Rhodesian & African (6)

South African (23)

SHIPPING (34)

TEA AND COFFEE (7)

WATERWORKS (1)

SPECIAL LIST

OCTOBER 1
(Nil)

SEPTEMBER 30
(Nil)

SEPTEMBER 29
(Nil)

SEPTEMBER 28
(Nil)

SEPTEMBER 27
Morton Sundour 5pcPf. 25p

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which *quotation has not been granted* and which are not recorded in the Official List.

OCTOBER 1

SEPTEMBER 30

SEPTEMBER 29

Amoco Petroleum 70Ø
Assoc. Manganese Mines (S.A.) £12¼
Australian Foundation New 8
Black Decker $US20.97Ø 21Ø
Coles (G. J.) 154
Euro. Inv. Bk. 9¼pc 1982 $US102¼Ø
Exxon Con. £50⅛
Florida Gas £15⅝
Macarthy Rodway 35Ø
Metramar Minerals 14Ø
Thomas Nationwide Transport 194
Westmex 9
Whim Creek 58
Woolworth Hldgs. A 175

SEPTEMBER 28

Albertson's Inc. £18⅛Ø
Allied Stores £40⅞
American Telegraph Telephone £54⅛Ø
Atlantic Richfield £51¼
Brit. Columbia Telephones £11⅛Ø
BP Canada 775
Colonial Sugar Refineries 473
Endeavour Oil 14
Marra Devs. 5½
Mesa Petroleum £28⅛Ø
Pacific Gas £20⅛Ø
Peko Wallsend 583
Poseidon 80Ø 80
Reynolds Diversified 3⅛Ø
Sunstrand Cpn. £29⅞
Trade Credits $US0.22
Unilever N.V. (Fl 20) $US44⅛Ø
Vulcan Minerals 7Ø
West Coast Transmission £24⅛

SEPTEMBER 27

Green Island Cement 320Ø 20
Hungerford Hill 68
Lee Heng Co. $HK5.06Ø 5.07Ø
Lenox £18⅛
Magellan Pets. 58
Mount Lyell 80Ø 55
Rembrandt Grp. 182
Rolinco 6½pcPf. (Fls.100) £18Ø
Skelly Oil £102⅛Ø
Swan Brewery New 8
Thompson Brandt £32⅞
Union Pacific $US88⅞
Woolworth (F.W.) £21⅛

(By permission of the Stock Exchange Council)

Diamond (7)

OIL (152)

PROPERTY (135)

Midhurst White Hldgs. (10p) 15 (28/9)
Mountview Estates (5p) 26½ (28/9)
Mucklow (A. J.) (25p) 145Ø
Peachey (25p) 43½Ø
Property Reversionary A (25p) 155 (29/9)
Property Hldg. (25p) 185 (30/9). 4½pc Pf. 26½
Property Partnerships (25p) 34 (28/9)
Raglan Property Trust (5p) 2 ¼
Regional Properties (25p) 33 (27/9). A O.B. (25p) 26
Reliable Properties (25p) 26 (30/9)
Rush Tompkins Group (25p) 34Ø
Samuel Properties (25p) 25½
Scottish Metropolitan Property (20p) 60½Ø 7pcLn. 106Ø (30/9)
Second City Properties (10p) 23½ 4. New Ord. (10p) 24Ø. 7pcLn. 50 (28/9)
Slough Estates (25p) 66 7 8 8½ (30/9) 10pcLn. 113 (28/9)
Stock Conversion Inv. Trust (25p) 134 (29/9). 5½pcLn. 136 40 (28/9)
Sunley (Bernard) Investment Trust (25p) 91
Town City Properties (10p) 6 ¼ ½ 5½ 5. 7pc-14pcLn. 40
Trafford Park Estates (25p) 41 ½
United Kingdom Property (25p) 8
United Real Property Trust (25p) 155 (30/9)
Warner Estate Holdings (25p) 63½
Webb (Joseph) (5p) 18¼
Winston Estates (25p) 13 (28/9)

RUBBER (15)

Aberfoyle Plantations (8p) 4 (27/9)
Anglo-Indonesian Plantations (25p) 38 (28/9)
Castlefield (Klang) Rubber Estate (10p) 81 (29/9)
Consolidated Plantations (10p) 72. Wrnts. 19 ½ (30/9)
Dunlop Plantations 6pcPf. 43 (28/9)
East Asiatic Rubber Estates (2½p) 53 (29/9)
Sadek Malaysian (10p) 30 (29/9)
Golden Hope Plantations (10p) 70½ 2½
Grand Central Invest. Hldgs. (10p) 5 (30/9)
Guthrie Corp. 155 4. 5½pcPf. 38 (27/9) 9¼pcUns.Ln. 54Ø (30/9)
Highlands Lowlands Berhad ($Ma0.50) 47 ½
Kinta Kellas Rubber Estates (10p) 21 (28/9)
Kuala Lumpur Kepong Berhad ($Ma1)

BUILDING SOCIETY RATES

	Deposit Rate	Share Accnts.	Subp'n Shares	Variable Term Shares
Abbey National	6.25%	6.50%	7.75%	•7.25%
Alliance	6.25%	6.50%	7.75%	‡7.75%
Anglia	6.25%	6.25%	7.75%	‖7.25%
Birmingham Incorporated	6.25%	6.50%	7.75%	—
Bradford and Bingley	6.25%	6.50%	‡7.75%	§7.50%
Bristol and West	6.25%	6.50%	7.50%	—
Bristol Economic	6.25%	6.50%	8.00%	†6.75%
Britannia	6.25%	6.50%	7.75%	¶¶7.25%
Burnley	6.25%	6.50%	7.75%	¶7.25%
Cardiff	6.25%	7.00%	8.00%	—
Catholic	6.00%	■6.80%	7.50%	—
Chelsea	6.25%	6.50%	8.25%	†6.75%
Cheltenham and Gloucester	6.25%	6.50%	—	✱7.25%
Citizens Regency	6.25%	6.80%	8.25%	★6.05%
City of London	7.00%	7.25%	8.25%	—
City and Metropolitan	6.25%	6.75%	7.00%	¶7.50%
Coventry Economic	6.25%	6.50%	8.25%	§§7.25%
Derbyshire	6.25%	6.50%	7.75%	□6.90%
Gateway	6.25%	6.50%	7.75%	¶7.25%
Greenwich	6.00%	6.60%	8.00%	—
Guardian	6.25%	6.75%	7.00%	‡7.30%
Halifax	6.25%	6.50%	7.75%	¶7.25%
Hastings and Thanet	6.25%	6.50%	7.75%	♣7.25%
Hearts of Oak & Enfield	6.25%	6.70%	8.00%	‖¶7.50%
Hendon	6.75%	7.00%	—	*7.50%
Huddersfield & Bradford	6.25%	6.50%	≠8.00%	✱7.25%
Leamington Spa	6.37%	6.63%	8.73%	Ω7.75%
Leeds Permanent	6.25%	6.50%	8.25%	—
Leicester	6.25%	6.50%	7.75%	††7.25%
Liverpool	6.25%	6.50%	7.80%	*7.00%
Magnet & Planet	6.25%	6.50%	7.75%	▽7.25%
Mornington Permanent	5.90%	7.30%	—	—
National Counties	6.50%	6.75%	7.75%	◇7.25%
Nationwide	6.25%	6.50%	7.00%	♣7.75%
Newcastle Permanent	6.25%	**6.50%	7.00%	7.50%
North London	7.00%	♦8.00%	—	—
Northern Rock	6.25%	6.50%	8.00%	♣7.25%
Norwich	6.25%	6.50%	8.00%	—
Paisley	6.75%	7.00%	8.25%	¶¶7.50%
Property Owners	6.25%	7.00%	8.00%	†7.35%
Provincial	6.25%	6.50%	7.75%	7.25%
Skipton	6.25%	6.50%	7.75%	‡‡7.25%
Sussex Mutual	6.50%	◇6.75%	—	—
Town and County	6.00%	6.50%	10.00%	♥8.00%
Woolwich Equitable	6.25%	6.50%	7.75%	¶7.25%

• Minimum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. including bonus. ¶ Min. £500 2 yrs. term. ‖ 4th issue 2 yrs. ● 2 yrs. £1,000-£10,000. ** 7.00% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.00% 3 mths. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ▽ Min. £100 2 yrs. fixed. ◇ Min. £1,000 6 mths. notice. 3-4 yrs. over £5,000. ◇ £5,000 and over 7.00%. ‡ Min. £1,000 3 mths. notice. □ Min. £5,000 3 mths. notice. ■ 7.05% over £5,000. § 3 yrs. min. £500, 2 yrs. 7.25%. ♣ 3 yrs. min. £100. ♦ 2 yrs. £250-£10,000. ♦ Min. £5,000. ♥ 3 yrs. £1,000-£10,000. ✱ 2 yrs. £100-£10,000. ★ 3 yrs. £5,000 min. ≠ Moneymaker Shares. Ω Min. £1,000 1 yr. fixed. ‖‖ 2 yrs. £1,000 min. 7.75% over 3 yrs.

Saving through industry

BY DONALD MACLEAN

MEDIUM-TERM funds for industry should be provided through the National Savings movement, Mr Anthony Frodsham, director-general of the Engineering Employers' Federation, suggested yesterday to the National Savings industrial conference at Nottingham.

"I have in mind, for example, an industry bond carrying most of the advantages for the small saver of National Savings Certificates in terms of tax-free interest and security."

They could be guaranteed by Government or by a bank and the cash raised could be lent to industry for a term corresponding with the normal life of certificates and might, therefore, be as much as seven years.

Funds raised this way "would fit in neatly between simple overdrafts and loan stocks." The bonds could be issued and managed by banks or other financial institutions.

North seeks aid for trade drive

MR. ALAN WILLIAMS, Minister responsible for regional development, has agreed to meet a deputation from the North of England Development Council to consider a claim for its annual grant to be increased from £106,000 to £400,000, so that it can compete on an equal footing with the Scottish and Welsh Development Agencies.

Some of the money would be used to help the Council mount its biggest programme of overseas trade missions.

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (5)

FOREIGN BONDS (1)
Antofagasta Rly.

CHEMICALS (1)
Bayer

INDUSTRIALS (1)
Jardine Matheson

RUBBERS (1)
Golden Hope

MINES (1)
Ayer Hitam

NEW LOWS (332)

BRITISH FUNDS (12)
BANKS (15)
BEERS (10)
BUILDINGS (27)
CHEMICALS (7)
CINEMAS (2)
DRAPERY & STORES (19)
ELECTRICALS (12)
ENGINEERING (40)
FOODS (15)
HOTELS (5)
INDUSTRIALS (45)
INSURANCE (13)
MOTORS (6)
PAPER & PRINTING (7)
PROPERTY (36)
SHIPBUILDERS (1)
SHIPPING (1)
TEXTILES (7)
TOBACCOS (1)
TRUSTS (42)
OILS (2)
OVERSEAS TRADERS (3)

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
ICI	£1	10	305	−3	402	305
Shell Transport	25p	10	376	−2	462	374
BATS Defd.	25p	9	205	—	225	193
EMI	50p	9	192	−3	277	192
GEC	25p	9	126	−3	168	126
GKN	£1	9	244	−14	360	242
Lonrho "New"	Nil/pd.	9	23*	—	27*	22*
Marks & Spencer	25p	9	84	−1	108	84
Courtaulds	25p	8	106	−2	169	106
GUS "A"	25p	8	151	−1	228	150
Beecham	25p	7	317	−3	390	314
Grand Met.	50p	7	54	−1	88	53½
Imp. Contl. Gas	£1	7	273	—	359	273
Imperial Group	25p	7	63	−1½	88	63
Lloyds Bank	£1	7	180	+2	266	176

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

* Premium.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price(p)	Change on week	1976 high	1976 low
BATs Defd.	25p	77	205	−8	225	193
Shell Transport	25p	74	376	−22	462	374
ICI	£1	71	305	−15	402	305
BP	£1	62	612	−8	685	557
Marks & Spencer	25p	51	84	−8	108	84
Turner & Newall	25p	48	126	−23	175	126
Natl. Westminster	£1	46	200	−15	272	198
Barclays Bank	£1	45	225	−25	350	225
Lloyds Bank	£1	45	180	−18	266	176
EMI	50p	44	192	−20	277	192
P & O Defd.	£1	43	104	−5	119	87
Distillers	50p	41	113	−7	158	112
Fisons	£1	41	263	−27	417	258
RTZ	25p	41	166	−18	239	153
Grand Met.	50p	39	54	−6	88	53½

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	19	19	18	35	165	32
Corpns., Dom. and Foreign Bonds	21	8	36	[illegible]	184	159
Industrials	176	452	1,080	717	3,082	4,735
Financial and Prop.	47	192	325	247	1,146	1,450
Oils	4	10	22	25	62	95
Plantation	4	5	32	19	27	157
Mines	22	39	81	108	249	301
Recent Issues	1	7	30	21	53	124
Totals	289	722	1,622	1,224	4,926	7,102

Option Report—3-month call Rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Sep. 28	Oct. 11	Dec. 30	Jan. 12
Oct. 12	Oct. 25	Jan. 13	Jan. 25
Oct. 26	Nov. 7	Jan. 27	Feb. 8

"Calls" were dealt in F. W. Woolworth, Gussies "A," Boots, Premier Cons. Oil, EMI, P & O Deferred, ICI, GEC, Hawthorn Leslie, J. Lyons, Beecham, MEPC, Burmah Oil, National Westminster Bank Warrants, Intereuropean Properties and UDT. "Puts" were done in Rockware and Trust Houses Forte, while "doubles" were arranged in Trafalgar House Warrants, Town and City, Shell Transport, Beecham, BP, Cavenham Warrants, Ladbroke Warrants, London Brick, Glaxo, National Westminster Bank Warrants and MEPC.

Industrials		[illegible]		[illegible]		[illegible]	
A. Brew	5½	Fitch Lovell	5	Nat'West Bank	20	E.P.	5
A. P. Cement	15	Gen. Accident	12	"Do" Warrants	7½	Int. Europe	7
Assoc Leisure	5	Gen. Electric	15	P & O Dfd	11	Land Securities	14
BSR	9	Glaxo	35	Plessey	7	MEPC	7
Babcock	6	Grand Met.	7	R.H.M.	5	Peachey	6
Barclays Bank	22	G.U.S. 'A'	16	Rank Org. 'A'	15	Samuel Props.	5½
Berrywiggins	5	Guardian	16	Reed Int'l	25	Town & City	3½
Beecham	25	G.K.N.	25	Reyrolle	11		
Boots Drug	12	Hawker Sidd.	55	Rothmans	4	**Oils**	
Bowaters	16	House of Fraser	8	Slater Walker	4	Brit. Petroleum	40
B.A.T.	21	I.C.I.	20	Spillers	4	Burmah Oil	4½
British Leyland	5	"Imps"	7	Tesco	4	Shell	27
BOC Int.	8½	I.C.L.	14	Thorn 'A'	22	Ultramar	14
Brown (J.)	9	Inveresk	7	Trust Houses	9		
Burton 'A'	5½	Legal & General	12	Tube Invest.	27	**Mines**	
Cadburys	5	Ladbroke	11	Unilever	35	Charter Cons.	15
Cavenham	10	Lex Service	5¾	Utd. Drapery	6	Chart'h'll Fin.	4
Courtaulds	11	Lloyds Bank	22	Vickers	15	Cons Gold	15
Debenhams	6	"Lofs"	4	[illegible]	4	Hampton Areas	12
Distillers	13	London Brick	4½	Woolworths	6	Lonrho	15
Dunlop	7½	Lucas Inds.	20			Rio T. Zinc	16
Eagle Star	11	"Mans"	7	**Property**		Western M.ng.	7
		Marks & Spencer	—	Brit. Land	5½		

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barnsley (0226 203232)	12	½-year	250	4-7
Barnsley (0226 203232)	12¾	½-year	2,000	2-7
Bradford (0274 29577)	12½	½-year	500	4-5
Doncaster (0302 68465)	13	½-year	5,000	4-7
Greenwich (01-854 8888)	12¾	½-year	1,000	4-7
Grimsby (0472 59161)	12½	½-year	1,000	2-5
Liverpool (051 227 3911)	12½	½-year	500	3-4
Liverpool (051 227 3911)	12¾	½-year	500	5-7
Oxford (0865 49811)	12½	½-year	5,000	5-7
Poole (02013 5151)	11¾	½-year	500	3-4
Poole (02013 5151)	12	½-year	500	5-6
Redbridge (01-478 3020)	12¾	½-year	2,000	3-5
Redditch (0527 67691)	12½	½-year	1,000	3-7
Sefton (051 922 4040)	11¾	½-year	2,000	2
Sefton (051 922 4040)	12	½-year	2,000	4-5
Southend (0702 49451)	12	½-year	250	2
Sutton (01-642 6060)	12½	½-year	500	2-5
Wandsworth (01-874 6464)	12⅞	½-year	5,000	5-7
Wandsworth (01-874 6464)	12⅝	½-year	1,000	5-7
West Yorkshire (0924 67111)	12	½-year	500	2-3
West Yorkshire (0924 67111)	12½	½-year	500	4-5
Wrekin (0952 505051)	12½	yearly	1,000	3-5

U.K. CONVERTIBLE STOCKS 1/10/76

Statistics provided by *data STREAM international*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.▽	Cheap(+) Dear(−)◇ Current
Alcan Aluminium 9pc Cv. 89-94	12.00	60.00	100.0	76-80	15.6	16.4						
Associated Paper 9½pc Cv. 85-90	1.40	65.00	200.0	76-85	15.1	16.3	32.7	28 to 47	38.0	47.0	−18.3	−14.3
Bank of Ireland 10pc Cv. 91-96	10.25	103.00	35.7	77-90	9.3	9.0	15.4	9 to 52	55.0	54.0	−1.1	−16.5
BPB 7½pc Cv. 89-94	4.89	75.00	62.0	72-80	9.8	10.4	5.2	−0 to 32	20.1	17.1	−4.3	−9.4
English Property 6½pc Cv. 98-03	8.84	75.00	234.0	76-80	8.6	8.9	−8.4	−10 to 62	28.5	15.2	−16.2	−7.7
English Property 12pc Cv. 00-05	15.31	76.00	150.0	76-84	15.6	15.7	44.8	27 to 67	30.9	51.2	38.6	−6.2
Grand Metropolitan 10pc Cv. 91-96	123.99	67.50	120.2	73-78	13.8	14.2	3.0	−4 to 49	10.3	4.3	−9.0	−12.1
Hanson Trust 6½pc Cv. 88-93	4.51	61.50	57.1	76-88	10.8	11.8	9.8	8 to 66	31.3	32.2	1.7	−8.2
Hewden-Stuart 7pc Cv. 1995	0.20	90.00	336.0	75-95	7.9	8.2	1.1	−5 to 43	67.3	45.3	−24.2	−25.2
Lyons, J. 7½pc Cv. 1981	3.60	65.00	22.7	75-81	10.7	17.2	424.9	350 to 469	10.6	23.5	99.3	−325.6
Slough Estates 10pc Cv. 87-90	5.50	106.00	125.0	78-87	9.7	9.5	33.5	22 to 45	25.5	55.1	37.3	+3.8
Tozer, Kemsley 8pc Cv. 1981	7.33	82.00	153.8	74-79	9.7	13.7	21.2	11 to 32	14.0	16.1	3.2	−18.0
Wilkinson Match 10pc Cv. 83-98	11.10	74.50	40.0	76-83	13.9	14.2	57.8	57 to 86	23.5	44.7	44.9	−12.9

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ▽ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

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STOCK EXCHANGE REPORT

Conditions still uncertain despite no change in MLR

Share index down 6 points to 317.5 for a fall of 31.4 on the week

Account Dealing Dates

*First Dealings	Declarations	Last Dealings	Account Day
Sep. 20	Sep. 30	Oct. 1	Oct. 12
Oct. 4	Oct. 14	Oct. 15	Oct. 26
Oct. 18	Oct. 28	Oct. 29	Nov. 9

(Option)

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Stock markets remained in a highly sensitive and nervous state at the end of what turned out to be the worst week for equities so far this year. The previous day's fears of a large hike in Minimum Lending Rate proved unfounded, but failed to dispel the prevailing uncertainty about possible further Government measures following the sterling crisis. Selling of leading Industrials was only modest compared with Thursday and indications from the Treasury Bill tender that MLR would remain unchanged (confirmed later) prompted a small rally. Nevertheless, closing quotations were only a shade above the worst and the FT 30-share index which touched its lowest of the day at 2 p.m. with a fall of 6.7 closed 6 points down on balance at a low for the year of 317.5 and recorded its biggest drop (31.4) for a week since June 27, 1975.

British Funds charted an erratic course, but short-dated issues ended the day with gains ranging to ¼. On the other hand, the mediums and longs closed with falls to ¼. The Government Securities index shaded 0.05 more to 59.13 for a fall of 1.21 on the week.

Secondary issues gave further ground, but losses were not so widespread. Falls led rises by 5-3 in FT-quoted Industrials compared with a ratio of 17-1 the previous day. Higher interest rate fears continued to undermine properties, while consumer durable shares were hit again by the possibility of a credit squeeze, as reflected in the FT-Actuaries indices for the sub-section which fell 2.6 per cent. to 124.88 and 1.7 per cent. to 98.00 respectively compared with a loss of 0.9 per cent. to 133.77 in the All-Share index. Over the week *the All-Share index recorded a* fall of 7.08 per cent.

Gilts erratic

Sterling and interest rates continued to dominate sentiment in Gilt-edged. Inevitably, the market became nervous with quotations moving erratically as speculation mounted about a hike in Minimum Lending Rate or the course of the pound in foreign exchange markets. Announcement of the unchanged MLR brought relief but the effects on sentiment were fairly soon dampened by the subsequent reaction in sterling. The day was thus finally inconclusive with the shorts up $\frac{1}{16}$ generally, but the longs often ¼ easier, both sections having earlier recorded movements in each direction, usually ranging to a maximum of ⅜. The new short "tap" Treasury 11½ per cent., 1979, was called 98⅝, its issue price, but a notional amount of stock was understood to have changed hands at 98.

Dominated still by the fluctuations in sterling, the investment currency market again moved erratically and the premium ranged between 130 and 134¼ per cent. before closing 1½ points lower on balance at 131½ per cent. Yesterday's SE conversion factor was 0.6711 (0.6718).

Banks steadier

Leading Banks regained some composure after the previous day's setback and dearer money fears and although the undertone was still cautious, Lloyds edged forward 2 to 180p. Bank of Scotland, however, shed 4 at 220p. Overseas issues were firmer in places, with Hongkong and *Shanghai notable for a gain of 8* at 345p. Hire Purchases saw F.C. Finance hold steady at 30p following the interim results.

Composite Insurances had another poor day, with Sun Alliance falling 7 more to 328p and Phoenix 4 down at a 1976 low of 162p. Bid hopes continued to spur Leslie and Godwin which picked up from early softness to close 2 dearer at 109p, after 104p.

Apart from Allied which edged forward a shade to 55½p, Breweries continued to drift down on lack of support. Bass Charrington cheapened a penny more to a 1976 low of 85p, making a decline on the week of 9.

The prospect of an imminent rise in mortgage rates continued to cast a cloud over Buildings. A.P. Cement declined 5 more to 137p, while Tunnel "B," 136p, and Taylor Woodrow, 232p, both *declined 6. H. and R. Johnson-*Richards Tiles were noteworthy for a reaction of 12 to a 1976 low of 126p. Lafarge Organisation, however, rallied 3½ to 20p on further consideration of the interim results.

ICI finished 3 off at 305p after a 1976 low of 304p. Fisons, a notably dull market since Monday's interim figures, closed 2 easier at 263p, after 258p, making a fall on the week of 27.

Fresh fall in Thorn

Thorn Electrical, still reflecting fears about the possible introduction of higher VAT rates for consumer durables, made another poor showing, the Ordinary and "A" both closing 6 cheaper at 1976 lows of 166p, for two-day loss of 20.

Fears about the possibility of increased VAT rates continued to depress Stores, but losses were small. Among secondary issues, Peters Stores featured with a decline of 7 to a 1976 low of 31p on the sharply reduced earnings, while Bourne and Hollingsworth reflected the first-half profits setback with a fall of 2 to 35p.

Pressure on the two principal Engineerings was maintained and GKN closed 14 down at 244p, after 242p, while Tube Investments fell 12 to 280p, after 276p; once again, there was no satisfactory reason for the sharp decline apart from a complete dearth of buyers. Hawker were finally unchanged at 346p, after 342p. Elsewhere, Lake and Elliot reacted 6 to 41p on the missed profits forecast, while Aurora suffered a similar loss at 48p. Ley's Foundries, 44p, and Ash and Lacy, 88p, each lost 4, but Weyburn rallied 8 to 236p.

J. Lyons continued a dull market in Foods, losing 3 at a 1976 low of 53p and a fall on the week of 16. J. Sainsbury also lost 3, at 117p, while Tate and Lyle finished 4 cheaper at 228p. Cadbury Schweppes ended with a marginal loss at 36p following Press comment on the interim figures. Rowntree Mackintosh closed a penny off at 178p following trading news.

The miscellaneous Industrial leaders bowed out on what has been the worst week for equities since June, 1975, with fresh losses to 5 and occasionally more. Fresh fears of a probable credit squeeze hit consumer durables such as Hoover, and the "A" shares followed Thursday's loss of 15 with a fresh decline of 10 at 225p. Turner and Newall, despite investment comment, shed 3 more to 126p, for a week's loss of 23. Beatson Clark found no comfort in higher interim profits, the shares losing 4½ to 82½p. Still reflecting lower profits, Cope Allman shed another penny to 39p. Securicor, 45p, and the "A," 34p, both lost 5, while Security Services, 50p, and the "A," 43p, fell 2 and 5 respectively. Foreign issues, however, continued to benefit from the upset in sterling. Jardine Matheson rising 13 to a year's peak of 333p, and Swire Pacific gaining 8 to 184p.

Among quiet Motors, Group Lotus gave up a penny at 23p on further consideration of the interim report, while losses of 3 were seen in Dunlop, 67p, and Lucas Industries, 157p. British Leyland contrasted with a rise of 2 to 27p. Garages were notable for a flurry of activity in Lex Service which closed fractionally cheaper at 32½p.

Newspapers and Printings were only a shade cheaper where changed with the exceptions of Chapman (Balham), down 5 at 95p, and Bemrose, which came back 3 more to 50p.

Properties weak

The unchanged MLR announcement provided no relief for Properties which closed with substantial falls. Hammerson "A" weakened 17 to 270p, Glanfield Securities fell 15 to 120p and Property Holdings were 12 down at 178p. Chesterfield, 115p, after 113p, and *Warnford Estates, 140p,* after 136p, registered losses of 8 apiece, while Haslemere Estates, despite the chairman's confidence at Thursday's annual meeting, reacted 7 to 140p. Leading issues fared similarly with Land Securities 3 lower at 119p, after 118p, and MEPC 4 cheaper at 45p. The increased, half-yearly revenue *failed to sustain Beaumont,* 1 easier at 48p.

Lonrho attracted a good interest in Overseas Traders in ex-rights form; the Ordinary ended 3 down at 63p, after 62p, while the new nil-paid shares closed at 23p premium after having changed hands between extremes of 27p and 22p. The two lines of 7½ per cent. convertible loans, '83/8 and '84/9, were both ex rights to the new Ordinary at £53.

A between-the-lines newspaper report that all may not be well regarding the bid talks between Ben Line Steamers and Sheaf Steam saw the latter meet with renewed nervous selling which took the price down to 75p before a House close of 80p; after-hours' news that talks are still taking place, but may be protracted, saw *a recovery in Sheaf to 88p, a net* loss of 8. A dull market of late on the Boardroom unrest, Milford Docks rallied 5 to 50p.

Currently in receipt of an offer worth 120p per share from a subsidiary of Royco, Lampa Securities edged forward 1½ more to 123½p on the Board's further rejection of the offer and news that Mr. Hugh Moss, a director of Lampa, had acquired a further 5,000 shares in the company at 123½p per share.

Poor week in Golds

It was a dull week for South African Gold shares which reflected the decline in the bullion price from $119.25 to $116.125 per ounce, a day's loss of 12½ cents and a fall of $3⅛ over the longer period. The only sustaining influence was provided by the investment dollar premium which, although barely changed yesterday, rose sharply earlier in the week reflecting the weakness of sterling.

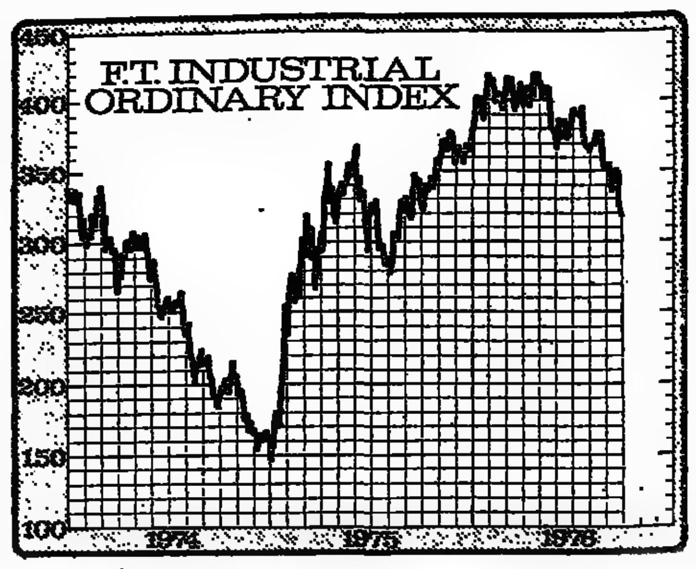
Yesterday, Golds drifted in quiet trading and the Gold Mines index was a further 1.3 off at 106.9 making a week's fall of 13.4. Rhodesians also lost ground over the week on fears of a long drawn out transition to black majority rule. Falcon Mines gave up 5 to 85p for a five-day fall of 45p, while Mangula were unchanged at 100p against last Friday's price of 120p.

Financials were neglected. The *London-based issues* were adversely affected by the weakness of U.K. Industrials. Rio Tinto-Zinc eased a penny to 166p a week's loss of 18, but against the general trend, Gold Fields hardened a penny to 134p.

In Platinums, further consideration of the chairman's cautious statement left Rus. Plats. 2 down at 114p.

In Australians, Selcast dropped 6 more to 76p owing to profit-taking; on Tuesday the shares rose to 90p following hopes of further news from the Teutonic Bore area of Western Australia where the company recently intersected copper-zinc mineralisation. Hamersley improved 5 to 250p; two-thirds of the mine's workforce were expected to return to work yesterday evening.

Tins moved ahead strongly reflecting the strength of the metal price. Kamunting, which proposes to change its domicile, was on 5 to 38p, after 39p, while Southern Kinta advanced 7 to 95p.



FINANCIAL TIMES STOCK INDICES

	Oct. 1	Sept. 30	Sept. 29	Sept. 28	Sept. 27	Sept. 24
Government Secs.	59.13	59.18	59.61	59.42	59.61	60.57
Fixed Interest	58.97	58.85	59.42	59.42	60.05	60.60
Industrial Ordinary	317.5	323.5	330.4	335.1	344.6	348.9
Gold Mines	106.9	108.7	109.5	114.3	118.5	120.3
Ord. Div. Yield	7.08	6.95	6.80	6.71	6.56	6.48
Earnings Y'ld% (full)	20.93	20.53	20.10	19.82	19.39	19.08
P/E Ratio (net)	7.05	7.19	7.34	7.44	7.61	7.74
Dealings marked	4,669	5,228	5,114	5,202	6,126	5,666
Equity turnover £m.	—	66.66	60.07	64.90	54.33	53.97
Equity bargains total	—	12,041	11,369	11,895	9,096	8,999

HIGHS AND LOWS

	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1)	59.13 (1/10)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.43 (2/2)	58.85 (30/9)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	420.8 (4/6)	317.5 (1/10)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (3/1)	76.8 (25/8)	442.3 (22/6/75)	42.5 (26/10/71)

S.E. ACTIVITY

	Oct. 1	Sept. 30
Daily—		
Gilt-Edged	189.1	179.2
Industrials	143.2	172.5
Speculative	27.2	37.3
Totals	106.3	119.6
5-day Av'r'ge.		
Gilt-Edged	181.4	164.3
Industrials	154.8	148.5
Speculative	38.8	42.7
Totals	110.8	108.2

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS — Friday, October 1, 1976

Figures in parentheses show number of stocks per section

	Group	Index No.	Day's Change %
1	CAPITAL GOODS (173)	119.85	−1.6
2	Building Materials (30)	105.86	−2.4
3	Contracting, Construction (23)	157.78	−3.1
4	Electricals (16)	222.33	−1.0
5	Engineering (Heavy) (13)	141.29	−1.4
6	Engineering (General) (64)	108.99	−1.5
7	Machine and Other Tools (9)	48.50	−0.9
8	Miscellaneous (24)	105.30	−1.8
9	CONSUMER GOODS (DURABLE) (53)	98.00	−1.7
12	Lt. Electronics, Radio TV (15)	105.04	−3.3
13	Household Goods (13)	138.76	−1.0
14	Motors and Distributors (25)	65.56	−1.2
15	CONSUMER GOODS (NON-DURABLE) (169)	122.26	−1.1
16	Breweries (15)	135.84	−0.7
15	Wines and Spirits (7)	139.60	−0.8
16	Entertainment, Catering (14)	142.78	−2.1
17	Food Manufacturing (23)	136.45	−1.8
18	Food Retailing (16)	109.49	−1.1
19	Newspapers, Publishing (16)	168.87	−0.3
20	Packaging and Paper (12)	84.90	−1.5
21	Stores (34)	95.95	−1.0
22	Textiles (23)	124.76	−0.1
23	Tobaccos (3)	195.08	−0.8
24	Toys and Games (6)	65.02	−0.2
	OTHER GROUPS (95)		
25	Chemicals (16)	172.68	−0.6
26	Office Equipment (8)	75.90	−1.0
27	Shipping (12)	348.37	−0.6
28	Miscellaneous (48)	130.18	−0.8
29	INDUSTRIAL GROUP (496)	125.05	−1.1
30	OILS (4)	335.93	+0.2
31	500 SHARE INDEX	145.24	−0.9
32	FINANCIAL GROUP (100)	104.57	−1.2
33	Banks (6)	130.44	—
34	Discount Houses (10)	126.93	−2.0
35	Hire Purchase (5)	73.00	−3.2
36	Insurance (Life) (10)	85.60	−0.8
37	Insurance (Composite) (7)	85.00	−1.9
38	Insurance Brokers (9)	215.20	−1.1
39	Merchant Banks (15)	58.24	−1.4
40	Property (32)	134.38	−2.6
41	Miscellaneous (6)	66.87	−1.0
42	Investment Trusts (50)	136.84	−0.8
43	ALL-SHARE INDEX (650)	133.77	−0.9
	COMMODITY GROUPS (Not included in 500 or All-Share indices)		
44	Rubbers (9)	467.17	—
45	Teas (9)	131.40	−0.4
46	Coppers (3)	199.11	—
47	Mining Finance (11)	87.57	−0.1
48	Tins (7)	119.68	+3.4
49	Overseas Traders (13)	202.44	−0.2

FIXED INTEREST

		Friday, October 1 Index No.	Yield %	Thurs. Sept. 30	Wed. Sept. 29	Tuesday Sept. 28	Monday Sept. 27	Friday Sept. 24	Thurs. Sept. 23	Wed. Sept. 22	Year ago (approx.)
1	Consols 2½% yield	—	14.91	14.90	14.78	14.78	14.66	14.65	14.64	14.64	14.69
2	20-yr Govt. Stocks (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	20-yr. Red. Deb. & Loans (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Investment Trust Prefs. (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	Coml. and Indl. Prefs. (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BASE LENDING RATES

- Allied Irish Banks Ltd.
- American Express Bank
- Anglo-Portuguese Bank
- Henry Ansbacher
- Banco de Bilbao
- Bank of Cyprus
- Bank of N.S.W.
- Banque du Rhone S.A.
- Barclays Bank
- Barnett Christie Ltd.
- Bremar Holdings Ltd.
- Brit. Bank of Mid. East
- ■ Brown Shipley
- Canada Permanent AFI
- Capitol C & C Fin. Ltd.
- Cayzer, Bowater Co. Ltd.
- Cedar Holdings
- ■ Charterhouse Japhet
- C. E. Coates
- Consolidated Credits
- Co-operative Bank
- Corinthian Securities
- Credit Lyonnais
- G. R. Dawes
- Duncan Lawrie
- Eagil Trust
- English Transcont.
- First London Secs.
- ■ Antony Gibbs
- Goode Durrant Trust
- Greyhound Guaranty
- Grindlays Bank
- ■ Guinness Mahon
- ■ Hambros Bank
- ■ Hill Samuel
- C. Hoare & Co.
- Julian S. Hodge
- Hongkong & Shanghai
- Industrial Bank of Scot.
- Keyser Ullman
- Knowsley & Co. Ltd.
- Lloyds Bank
- London & European
- London Mercantile
- Midland Bank
- ■ Samuel Montagu
- ■ Morgan Grenfell
- National Westminster
- Northern Comm. Trust
- Norwich General Trust
- P. S. Refson & Co.
- Rossminster Accept'cs
- Royal Bk. Canada Trust
- Schlesinger Limited
- E. S. Schwab
- Security Trust Co. Ltd.
- Shenley Trust
- Standard Chartered
- Trade Development Bk.
- Twentieth Century Bk.
- United Bank of Kuwait
- Whiteaway Laidlaw
- Williams & Glyn's
- Yorkshire Bank

■ Members of the Accepting Houses Committee.

MONEY + EXCHANGES

No change in MLR

Bank of England Minimum Lending Rate 13 per cent. (since September 10, 1976)

Recent speculation pointed towards a possible rise in the Bank of England Minimum Lending Rate, however the Treasury bill rate increased by only 0.0294 per cent. to 12.3748 per cent. at yesterday's tender, and MLR remained unchanged at 13 per cent. The minimum accepted bid was £96.91⅝ against £96.92 the previous week, for bills dated Tuesday to Friday. For bills dated Monday, the minimum accepted bid was £96.88. The £400m. tendered and allotted, attracted bids of £600.04m. Next week a further £400m. will replace maturities of £300m.

Day-to-day credit was in short supply in the London money market, and the authorities gave assistance by buying a very large amount of Treasury bills and local authority bills direct from the houses. In addition, they lent a small amount for repayment on Monday to 3 or 3 houses at MLR. The market was only helped by bank balances carried forward. On the other hand there was the usual Friday increase in the note circulation and a net take up of Treasury bills. Also counting against the market was an excess of revenue transfers to the Exchequer over Government disbursements.

Discount houses paid 11½-11⅞ per cent. for secured call loans at the start, and rates closed between 10½-11¼ per cent. In the interbank market, overnight loans opened at 12-12½ per cent. and fluctuated throughout the day before finishing at 10½-11 per cent.

Rates in the table below are nominal in some cases.

Local authorities and finance houses seven days' notice, others seven days fixed. * Long-term local authority mortgage rate nominally three years 13½-14 per cent.; four years 13¾-14¼ per cent.; five years 14-14½ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 12⅞-12$\frac{15}{16}$ per cent.; four-month trade bills 14-15¼ per cent. Approximate selling rate for one-month Treasury bills 12$\frac{5}{16}$-12$\frac{3}{16}$ per cent.; two-month 12⅛-12¼ per cent.; and three-month 12$\frac{13}{32}$-12$\frac{11}{32}$ per cent. Approximate selling rate for one-month bank bills 12⅝-12½ per cent.; two-month 12⅝ per cent.; and three-month 12½ per cent.; one-month trade bills 13½-12¾ per cent.; two-month 13½-13 per cent.; three months 13¼-12¾ per cent.

Finance House Base Rates (published by the Finance Houses Association): 12 per cent. from October 1, 1976. Clearing Bank Deposit Rates for small sums at seven days' notice 9¼ per cent. Clearing Bank Rates for lending 12 per cent. Treasury bill average tender rate of discount 12.3748 per cent.

EXCHANGES AND BULLION

Sterling gained 80 points against the U.S. dollar in yesterday's foreign exchange market to close at $1.6680-1.6700. After opening at $1.6630-1.6650, the pound rose steadily to $1.6810-1.6825 on some short covering and rumours of a possible rise in MLR. During early afternoon, with the rate announced as unchanged, sterling lost all of its previous gains and sank to $1.6570-1.6590 at one stage, before recovering slightly at the close.

The trade weighted average depreciation, as calculated by the Bank of England, widened to 44.7 per cent. from 44.6 per cent. on Thursday. At noon, the calculation showed an improvement to 44.2 per cent. after 44.3 per cent. in the morning.

Ahead of to-morrow's general election, the West German mark remained in a strong position with rumours still circulating over a possible revaluation. The Bundesbank was believed to have intervened in order to halt the surging mark. Against the dollar is closed at DM2.4437½ from DM2.4360.

Some interest rates were raised by the Belgian authorities, not including their bank rate, to try and keep the franc within the permissible levels of the European snake.

Pressure exerted by the strength of the mark kept the weaker members on or around their floor levels, despite the Bundesbank supporting all member currencies except the Dutch guilder.

The lira closed weaker at L873 against L859½ while the U.S. dollar recovered slightly. Its average depreciation on a Morgan Guaranty basis, using noon rates in New York, improved to 2.78 per cent. from 2.92 per cent. Gold ended a quiet day $¼ an ounce easier at $115¾-116¼. The Krugerrand for domestic delivery remained unchanged at $120-122 (£72¼-73¼). Its premium over the gold content widened to 4.20 per cent. from 4.09 per cent. domestically, and 3.77 per cent. against 3.23 per cent. in international dealings.

EXCHANGE CROSS-RATES

Oct. 1	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Fr'nkfu't	—	2.449-450	49.30-35	6.47-474	4.081-093	96.50-85	99.85-29
N. York.	40.84-88	—	20.26-29	2.65-657	1.6795-815	38.94-9.0	41.82-85
Paris	202.65-3.06	4.955-965	—	13.11-13	8.296-321	193.6-3.9	202.43-2.9
Brussels	15.42-45	37.70-80	7.59-63	—	63.07-34	14.69.76	16.39-46
London	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]
A'dam	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—

FOREIGN EXCHANGES

OTHER MARKETS

EURO-CURRENCY INTEREST RATES*

FORWARD RATES

GOLD MARKET

SPECIAL DRAWING RIGHTS RATES

INSURANCE BASE RATES

CORAL INDEX

AUTHORISED UNIT TRUSTS

Abbey Unit Trust Mngrs. Ltd. (a)(g)

Allied Hambro Group (a)(g)

Anderson Unit Trust Managers Ltd.

Ansbacher Unit Mgmt. Co. Ltd.

Arbuthnot Securities Ltd. (a)(c)

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)

Barclays Unicorn Ltd. (a)(g)

Baring Brothers & Co. Ltd.♥ (a)(x)

Bishopsgate Progressive Mgmt. Co.♥

Bridge Fund Managers (a)(c)

The British Life Office Ltd.♥ (a)

Brown Shipley & Co. Ltd.♥ (a)(c)

Canada Life Unit Tst. Mngrs. Ltd.

Capel (James) Mngt. Ltd.

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)

Charterhouse Japhet♥

Chieftain Trust Managers Ltd.♥ (a)(g)

Confederation Funds Mgt. Ltd.♥ (a)

Cosmopolitan Fund Managers.

Crescent Unit Tst. Mgrs. Ltd. (a)(g)

Discretionary Unit Fund Managers

Equitas Secs. Ltd.♥ (a)(g)

Equity & Law Un. Tr. M.♥ (a)(b)(c)

Framlington Unit Mgt. Ltd. (a)

Friends' Provdt. Unit Tr. Mgrs.♥

G.T. Unit Managers Ltd.♥

G. & A. Tst. (a) (g)

Gartmore Fund Managers ♥ (a)(g)

Gibbs (Antony) Unit Tst. Mgs. Ltd.

Govett (John)♥

Grieveson Management Co. Ltd.

Guardian Royal Ex. Unit Mgrs. Ltd.

Henderson Administration♥

Hill Samuel Unit Tst. Mgrs.† (a)

Intel.♥ (a)(g)

Ionian Unit Tst. Mngmnt. Ltd.

Key Fund Managers Ltd. (a)(g)

Kleinwort Benson Unit Managers♥

L & C Unit Trust Management Ltd.♥

Lawson Securities Ltd.♥ (a)(c)

Legal & General Tyndall Fund♥

Leonine Administration Ltd.

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥ (a)

Lloyd's Life Unit Tst. Mngrs. Ltd.

London Wall♥ (a)(g)

M & G Group (y)(c)(z)

ManuLife Management Ltd.♥

Mercury Fund Managers Ltd.

Midland Bank Group Unit Trust Managers Ltd.♥ (a)

Minster Fund Managers Ltd.

MLA Unit Trust Mgemnt. Ltd.

Mutual Unit Trust Managers♥ (a)(g)

National Provident Inv. Mngrs. Ltd.♥

National Westminster♥ (a)

NEL Trust Managers Ltd.♥ (a)(g)

New Court Fund Managers Ltd. (g)

Norwich Union Insurance Group (b)

Oceanic Managers (a)(z)

Pearl Trust Managers Ltd. (a)(g)(z)

Pelican Units Admin. Ltd. (g)(x)

Perpetual Unit Trust Mngmt.♥ (a)

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)

Practical Invest. Co. Ltd.♥ (y)(c)

Provincial Life Inv. Co. Ltd.♥

Prudl. Unit Tst. Mngrs.♥ (a)(b)(c)

Quilter Management Co. Ltd.♥

Reliance Unit Mgrs. Ltd.♥

Remigium Management Ltd.♥

Ridgefield Management Ltd.

Rothschild & Lowndes Mgmt. (a)

Rowan Unit Trust Mngt. Ltd.♥ (a)

Royal Tst. Can. Fd. Mgrs. Ltd.

Save & Prosper Group

Scotbits Securities Ltd.♥

Stewart Unit Tst. Managers Ltd. (a)

Sun Alliance Fund Mngt. Ltd.

Target Tst. Mngrs. Ltd.♥ (a)(g)

J. Henry Schroder Wagg & Co. Ltd.♥

Scottish Equitable Fnd. Mgrs. Ltd.♥

Sebag Unit Tst. Managers Ltd.♥ (a)

Security Selection Ltd.

Slater Walker Tst. Mgmt. (a)(g)

Target Tst. Mgrs. (Scotland) (a)(b)

Trades Union Unit Tst. Managers♥

Transatlantic and Gen. Secs. Co.♥

Trident Trusts (a)(g)

Schlesinger Trust Managers Ltd.

Tyndall Managers Ltd.♥

Tyndall Nat. and Comm.♥

TSB Unit Trust Managers Ltd.♥ (y)

Ulster Bank♥ (a)

Unit Trust Account & Mgmt. Ltd.

Wieler Growth Fund

REGIONAL MARKETS

A selection of the share prices previously shown under regional headings is presented below with quotations on London, Irish issues, most of which are not officially listed in London, are shown separately with prices of the Irish exchange.

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.

Albany Life Assurance Co. Ltd.

AMEV Life Assurance Ltd.♥

Barclays Life Assur. Co. Ltd.

Beehive Life Assur. Co. Ltd.♥

Canada Life Assurance Co.

Cannon Assurance Ltd.♥

Capital Life Assurance♥

Charterhouse Japhet Life Co. Ltd.

The City of Westminster Assur. Soc.♥

The City of W'minster Ass. Co. Ltd.♥

Commercial Union Group

Confederation Life Insurance Co.

Cornhill Insurance Co. Ltd.

Credit & Commerce Insurance

Crescent Life Ass. Co. Ltd.

Crusader Insurance Co. Ltd.

Eagle Star Insur/Midland Ass.

General Portfolio Life Ins. C. Ltd.♥

Grosvenor Life Ass. Co. Ltd.

Growth & Sec. Life Ass. Soc. Ltd.♥

Guardian Royal Exchange

Hambro Life Assurance Limited♥

Hearts of Oak Benefit Society

Hill Samuel Life Assur. Ltd.

Imperial Life Ass. Co. of Canada

The Individual Life Ins. Co. Ltd.♥

Irish Life Assurance Co. Ltd.

King & Shaxson Ltd.

Langham Life Assurance Co. Ltd.

Life Assur. Co. of Pennsylvania

Lloyds Bk. Unit Tst. Mngrs. Ltd.

Lloyds Life Assurance♥

M & G Group

Magna Assurance Company Ltd.

Merchant Investors Assurance♥

NEL Pensions Ltd.

New Court Property Fund Mngrs. Ltd.

NPI Pensions Management Ltd.

Norwich Union Insurance Group

Phoenix Assurance Co. Ltd.

Provincial Life Assurance Co. Ltd.

Prop. Equity & Life Ass. Co.♥

Property Growth Assur. Co. Ltd.♥

Prudential Pensions Limited♥

Reliance Mutual

Royal Insurance Group

Save & Prosper Group♥

Scot. Widows' Fnd. & Life Ass. Soc.

Slater Walker Insurance Co. Ltd.

Sun Alliance Fund Mangmt. Ltd.

Sun Life of Canada (U.K.) Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

Tyndall Group♥

Vanbrugh Life Assurance♥

Welfare Insurance Co. Ltd.♥

Windsor Life Assur. Co. Ltd.

Schroder Life Group♥

Sentinel Fund Managers

For Life & Equity Assurance see Cannon Assurance Ltd.

OFFSHORE AND OVERSEAS FUNDS

Arbuthnot Securities (C.I.) Limited

Australian Selection Fund NV

Banque Bruxelles Lambert

Bk. of London & S. America Ltd.

Barclays Unicorn Int. (Ch. Is.) Ltd.

Barclays Unicorn Int. (I. O. Man) Ltd.

Bishopsgate Commodity (Services)

Bridge Management Ltd.

Butterfield Management Co. Ltd.

Capital International S.A.

Charterhouse Japhet

Cornhill Ins. (Guernsey) Ltd.

Delta Group

Dreyfus Intercontinental Inv. Fd.

F. & C. Mgmt. Ltd. Inv. Advisers

Fidelity Mgmt. & Res. (Bda.) Ltd.

F.I.R.S.T. Managers Ltd.

First Viking Commodity Trust

Fleming (Robert) Investment Management Ltd. (Inv. Adviser)

Free World Fund Ltd.

G.T. Management Ltd. Ldn. Agts.

G.T. Bermuda Ltd.

G.T. Management (Asia) Ltd.

G.T. Management (Jersey) Ltd.

Hambro Pacific Fund Mgemnt. Ltd.

Hambros (Guernsey) Limited

Rapot Management Ltd.

Oliver Heath and Co. (Gold and Gth.)

Henderson BSM Mgemnt. Ltd.

Hill-Samuel & Co. (Guernsey) Ltd.

Hill Samuel Overseas Fund S.A.

International Pacific Inv. Mngt. Ltd.

J.E.T. Managers (Jersey) Ltd.

Jardine Fleming & Co. Ltd.

For "Jersey Savings Bank" see "TSB Unit Trust Managers"

Kemp-Gee Management Jersey Ltd.

Keyselex Mngt. Jersey Ltd.

King & Shaxson Mgrs. (Jersey) Ltd.

Kleinwort Benson Limited

Lamont Investment Mngt. Ltd.

Lloyds Bk. (C.I.) U/T Mgrs.

Lloyds International Mngmt. S.A.

M & G Group (y)(c)(z)

Samuel Montagu Ldn. Agts.

Murray, Johnstone (Inv. Adviser)

Negit S.A.

Negit Ltd.

Neptune Intnl. Fnd. Mgrs.

Old Court Fund Mngrs. Ltd.

Old Court Commodity Fd. Mgrs. Ltd.

Property Growth Overseas Ltd.

Royal Trust (CI) Fd. Mgt. Ltd.

Save & Prosper International

Schlesinger Fnd. Mgrs. (Jersey) Ltd.

J. Henry Schroder Wagg & Co. Ltd.

Singer & Friedlander Ldn. Agents

Slater Walker Tst. Mgt. (Jersey) Ltd.

Surinvest Copper Trust Mngrs. Ltd.

Surinvest Trust Managers Limited

TSB Unit Trust Managers (C.I.) Ltd.

Tokyo Pacific Holdings N.V.

Tokyo Pacific Hldgs. (Seaboard) N.V.

Tyndall Group

United States Tst. Intl. Adv. Co.

S. G. Warburg & Co. Ltd.

Warburg Invest. Mngt. Jrsy. Ltd.

World Wide Growth Management♥

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. k Offered prices include all expenses except agent's commission. p Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ‡ Guernsey gross. ♦ Suspended. ♦ Single premium insurance bonds. ♦Yield before Jersey tax.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
"Shorts" (Lives up to Five Years)						
101⅜	99⅛	Treasury 10½pc 1976‡‡	99⅞	+⅛	10.55	12.49
98⅞	95⅛	Treasury 6¾pc 1977‡‡	97⅜	+⅛	6.42	12.69
97¼	94½	Electric 3pc 74-77	96⅜	...	3.11	11.60
103⅛	92⅞	Treasury 11½pc '77‡‡	99⅛	+⅛	11.59	12.39
95⅛	91⅞	Treasury 3pc '77‡‡	93⅛	+⅛	3.22	9.61
95⅝	92¼	Transport 4pc '72-77	93¼	+⅛	4.29	10.01
99⅛	90½	Treasury 9pc 1978‡‡	95⅞	+⅛	9.39	12.26
101½	96⅝	Treasury 10½pc '78‡‡	96⅞	+⅛	10.85	12.50
93¾	89⅝	Exchequer 5pc '76-78‡‡	92½	+⅛	5.49	9.23
103⅞	97⅛	Treasury 11½pc '79‡‡	97⅛	+⅛	11.82	12.82
—	—	Treas. 11½pc '79 'A'‡‡	98¾	...	11.64	12.11
86⅞	83⅞	Treasury 3pc '78‡‡	85	...	3.53	8.88
89⅞	73⅞	Electric 4¼pc '74-79	85⅜	+⅛	4.98	10.10
100⅛	93⅝	Treasury 10½pc '79‡‡	93⅞	+⅛	11.21	13.09
85¼	83⅝	Electric 3½pc '76-79	84⅜	+¼	4.15	9.39
96½	89⅝	Treasury 9pc 1980‡‡	89⅞	+⅛	10.03	12.83
96½	89⅝	Treasury 9½pc '80‡‡	89⅞	+⅛	10.59	13.16
86	81⅞	Treasury 3½pc '77-80	82	+⅛	4.27	9.37
89½	71	Funding 5¼pc '78-80‡‡	84	+⅛	6.25	10.58
103⅛	94⅝	Treasury 11½pc 1981‡‡	94⅞	+⅛	12.14	13.11
86	79	Treasury 3½pc 1979-81	82⅜	+⅛	4.25	8.39
95½	88⅛	Treasury 9¾pc 1981‡‡	88¼	+⅛	11.05	13.31
Five to Fifteen Years						
94½	85⅞	Treasury 8¼pc '80-82‡‡	85⅞	...	10.12	12.73
107¼	95	Treasury 12pc 1983‡‡	95	...	12.71	13.31
81½	73¼	Funding 5½pc '82-84‡‡	73¼	−⅛	7.63	11.20
87⅝	78⅝	Treasury 8¼pc '84-86‡‡	78⅝	−⅛	11.09	12.73
74⅞	63¾	Funding 6½pc '85-87‡‡	63¾	−⅛	10.11	12.76
77⅛	68¾	Treasury 7¾pc '85-88‡‡	68¾	−⅛	11.52	13.44
51¼	45⅝	Transport 3pc '78-88	46⅝	−⅛	6.54	11.52
59¼	50⅝	Treasury 5pc '86-89	50⅝xd	−⅛	9.84	12.90
103¼	91⅞	Treasury 13pc 1990‡‡	91⅞	−⅛	14.61	14.89
75⅞	67½	Treasury 8¼pc '87-90‡‡	67½	−⅛	12.69	14.07
60	50½	Funding 5¾pc '87-91‡‡	50½xd	−⅛	11.38	13.69
Over Fifteen Years						
100½	87⅝	Treasury 12¾pc '92‡‡	88⅛	...	14.90	15.18
98½	85¼	Treasury 12½pc '93‡‡	86⅛	...	15.00	15.26
58	48⅛	Funding 6pc 1993‡‡	48⅛	−⅛	12.55	14.22
75⅜	66⅛	Treasury 9pc '94‡‡	66⅜	−⅛	14.24	14.91
97½	95¼	Treasury 14½pc '94‡‡	95⅝	...	15.23	15.29
36½	30⅜	Gas 3pc '90-95	30½xd	−⅛	9.89	12.97
100	87⅞	Treasury 12¾pc '95‡‡	89⅛	...	15.15	15.31
75⅞	62⅞	Treasury 9pc '92-96‡‡	62⅞	−⅛	14.42	15.00
95¼	91¼	Exchequer 13¼pc '96‡‡	91¼	...	15.22	15.35
35½	29¼	Redemption 3pc 1986-96	29¾	−⅛	10.09	12.84
102½	88	Treasury 13¼pc '97‡‡	89⅝	...	15.24	15.33
70½	60⅞	Treasury 8½pc 1997‡‡	60⅞	−⅛	14.56	15.05
57⅜	47	Treasury 6¾pc '95-98‡‡	47½xd	−⅛	14.05	14.84
76	65½	Treasury 9½pc 1999‡‡	66⅛	−⅛	14.78	15.09
31½	27⅛	Funding 3½pc '99-04	27⅛	...	13.29	14.18
65	53⅜	Treasury 8pc '02-06‡‡	53¾xd	−⅛	14.88	15.04
46⅛	37⅞	Treasury 5½pc '08-12‡‡	37⅞	...	14.76	14.90
60⅞	52¼	Treasury 7¾pc '12-15‡‡	53⅛	−⅛	15.01	15.03
Undated						
30⅜	26⅜	Consols 4pc	26⅜	..	15.43	—
27⅞	24⅜	War Loan 3½pc‡‡	24⅞	.	14.78	—
28⅞	24½	Conv 3½pc '61 Aft.	24½	.	14.30	—
23¼	19⅝	Treasury 3pc 66 Aft	19⅝xd	.	15.28	—
19⅝	16¼	Consols 2½pc	16¼xd	...	14.92	—
19½	16⅛	Treasury 2½pc	16⅛	...	15.52	—

**INTERNATIONAL BANK

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
75	66½	5pc Stock '77-82	72¼	−¼	6.98	11.81

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

S.E. List Premium 48⅝% (based on $1.6630 per £)

Conversion factor 0.6711 (0.6718)

CANADIANS

1976 High	low	Stock	£	+ or −	Div. Gross	C'vr	Y'ld Gr's
14¼	10⅞	Bk. Montreal $2	14¼	+¼	$1.00	—	4.0
40½	29⅛	Bk. Nova Scot. $2	39⅞	+1⅛	$1.72	—	2.4
46⅝	33¼	Bell Canada 25c	45	−1	$3.72	—	4.7
23⅝	12	Bow Valley‖	18¾	...	10c	—	0.3
10	780p	Brascan‖	970p	+20	s$1.00	—	5.9
29⅛	19⅞	Can. Imp. Bk. $2	24⅛	+⅛	$1.28	—	3.0
16⅞	10⅜	Can. Pacific $5	15⅝	...	84½c	—	3.1
29⅝	26½	Do. 4pc Deb. £100	27¼	−¼	4%	—	14.7
37⅞	21¼	Gulf Oil Can.‖	23	...	$1.00	—	2.5
670p	450p	Hawker Sid. Can.‖	490p	+20	36c	—	4.2
33	22	Hollinger $5	29	−1½	$1.80	—	3.5
18	12⅞	Hudson's Bay ‖	15⅝xd	...	60c	—	2.2
34⅛	26⅛	Hud. B. Oil G. $2½	29⅛	...	$1.60	—	3.1
22¼	16½	Imperial Oil‖	19¾	+¼	26.8	—	2.4
31½	19½	Inco	29⅞	+⅛	$1.40	—	2.7
900p	660p	Int. Nat. Gas $1	880p	+5	80c	—	5.2
25½	16	Massey Ferg.‖	20	−¼	$1.00	—	2.8
27⅝	20¼	Pacific Pet. $1	23½	+⅛	80c	—	1.9
38½p	24p	Place Gas $1	31p	...	—	—	—
30⅛	22⅝	Rio Algom	29⅞	+½	$1.00	—	1.9
27¼	20⅛	Royal Bk. Can. $2	26¼	+⅛	$1.26	—	2.8
28⅛	17⅞	Seagram Co. C$1	22⅞	+⅛	80c	—	2.0
18⅛	13⅛	Tor. Dom. Bk. $1	17⅞	+⅛	70c	—	2.2
11⅞	830p	Trans. Can. Pipe $2½c	11½	...	88c	—	0.0
790p	650p	White Pass	650p	...	♦35c	—	3.1

S.E. List Premium 48⅝% (based on $1.6153 per £)

BANKS AND HIRE PURCHASE

1976 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
390	251	ANZ $A1	378	+1	tQ24c	—	4.1	—
250	160	Alexanders D. £1	160	...	11.67	—	11.2	—
£110	£80	Algemene Fl.100	£96½	+½	tQ21%	2.6	4.7	10.0
490	310	Allen Harvey £1	310	...	25.0	—	12.4	—
128	84	Allied Irish	86	...	Q6.89	—	8.0	—

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Continued

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INSURANCE

PROPERTY—Continued

TRUSTS—Continued

TRUSTS—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

EASTERN RAND

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	250	Blyvoor 25c	330	......	Q75c	ϕ	14.7
£14	440	Buffels R1	530	......	Q125c	ϕ	15.3
199	70	Deelkraal R0.20	104	......	—	—	—
760	125	Doornfontein R1	240	−5	Q55c	2.2	14.8
965	330	East Drie R1	490	−5	Q75c	1.7	9.9
280	122	Elandsrand Gld. 20c	155	......	—	—	
190	44	Elsburg R1	70	−1	‡Q33.8c	1.0	‡
£16½	520	Hartebeest R1	750	−12	Q190c	ϕ	18.6
695	260	Kloof Gold R1	330	......	Q47c	1.5	9.2
760	140	Libanon R1	260	......	Q80c	2.0	19.9
740	230	Southvaal 50c	315	−10	Q9c	1.3	1.6
245	92	Stilfontein 50c	132	−4	‡Q36c	2.2	‡
£20¾	700	Vaal Reefs 50c	887	+12	‡Q175c	2.1	‡
420	48	Venterspost R1	134	−6	Q25c	3.6	12.1
£35	£11¼	W. Drie R1	£15½	−¼	Q335c	1.5	14.0
315	68	Western Areas R1	120	......	‡Q52c	1.4	‡
£15¼	480	Western Deep R2	630	......	‡Q147½c	1.6	‡
290	100	Zandpan R1	132	−3	Q31¼c	1.0	15.3

O.F.S.

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
170	60	Free State Dev. 50c	75	......	Q9c	0.6	7.8
£22½	715	F.S. Geduld 50c	900xd	−50	Q200c	ϕ	1.4
200	50	F.S. Saaiplaas R1	98	−2	Z6c	O	4.0
465	170	Harmony 50c	215	−15	‡Q65c	1.9	‡
195	38	Loraine R1	72	−6	Q6c	0.5	5.4
£18½	675	Pres. Brand 50c	837xd	−13	Q170c	ϕ	1.3
£13	395	Pres. Steyn 50c	495xd	−5	Q45c	ϕ	5.9
£23⅛	750	St. Helena R1	850xd	−25	Q170c	ϕ	12.9
174	70	Unisel	95	−5	—	—	—
330	140	Welkom 50c	155xd	−5	Q15c	ϕ	‡
£25½	950	W. Holdings 50c	£12½	−½	Q310c	ϕ	0.2

FINANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
535	315	Ang. Am. Coal 50c	410	......	MQ38c	2.8	6.0
375	185	Ang. Amer. 10c	238	......	Q33c	1.9	9.1
£28¼	£10½	Ang. Am. Gold R1	£12⅝	−⅛	‡Q260c	1.3	‡
£13¼	850	Ang-Vaal 50c	900	......	Q105c	ϕ	7.7
199	114	Charter Cons.	120	......	6.76	2.4	8.7
220	128	Cons. Gold Fields	134	+1	g7.37	4.3	8.5
23½	13	East Rand Con. 10p	16	−½	1.0	ϕ	9.6
330	150	Geduld Inv. R1	210	......	Q40c	1.5	12.3
£25	£12¾	Gen. Mining R2	£14¾xd	......	Q210c	2.1	9.2
£20⅝	675	Gold Fields S.A. 25c	850	......	Q155c	1.2	11.8
£24	£11½	Jo'burg Cons. R2	£14¼	......	Q170c	ϕ	7.5
380	200	Middle Wit 25c	240	−5	Q35c	1.2	7.5
250	168	Minorco SBD1.40	202	+2	Q2c	0.7	0.6
160	56	New Wit 50c	74	−1	Q18c	1.8	15.7
£14⅝	770	Patino NV Fls.5	£13	......	QC65c	0.8	2.8
810	310	Rand Selection 50c	380	−5	‡Q75c	1.5	‡
543	385	Selection Trust	385	......	15.2	1.5	6.1
230	98	Sentrust 10c	130	−2	Q30c	1.4	14.9
66	39	Silvermines 2½p	39	......	Q4.61	1.6	12.3
175	95	SW Africa 20p	175	......	†17.87	2.0	15.7
£12½	700	T'vaal Cons. Ld. R1	975	+25	Q65c	2.0	4.3
310	110	U.C. Invest R1	125	......	‡Q36c	1.8	‡
465	175	Union Corpn. 6.25c	215xd	......	†Q36c	1.4	10.8
90	45	Vogels 2½c	73	......	†Q6½c	1.2	5.8

DIAMOND AND PLATINUM

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£32½	£17½	Anglo-Am. Inv. 50c	£21½xd	......	†Q244c	1.6	7.4
122	68	Bishopsgate Pl. 10c	94	−2	Q8.0c	ϕ	5.5
335	187	De Beers Df. 5c	212xd	+2	Q28c	2.2	8.5
£14	850	Do. 40pc Pf. R5	975	......	Q200c	ϕ	13.2
128	69	Lydenburg 12½c	85	−1	Q7.2c	ϕ	5.6
123	107	Rus. Plat. 10c	114	−2	gQ5c	—	2.8

CENTRAL AFRICAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
165	53	Coronation 25c	78xd	......	‡Q34c	2.1	‡
130	68	Falcon Rh. 50c	85xd	−5	Q35c	ϕ	—
25	9	Rhod'n Corp. 16⅔p	19	......	0.56	6.0	4.5
195	120	Roan Cons. K4	155	......	—	—	—
178	140	Tanganyika 50p	168	......	Q10.0	0.8	6.0
70	65	Do. Pref. 80p	70	......	Q9	10.2	10.7
54	25	Wankie Col. Rh.1	45	+1	Q7½c	ϕ	11.3
46	24	Zam. Cpr. SBD0.24	26	......	—	—	—

AUSTRALIAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
33	18	Acmex 25c	25	......	—	—	—
323	132	A. M. and S. 50c	315	......	ϕ†Q7c	ϕ	1.4
165	96	Bougainville 50c	135	......	Q10c	ϕ	4.8
235	145	BH South 50c	198	......	—	—	—
75	15	G.M. Kalgoorlie $1	20	......	—	—	—
106	58	Hamptn Areas 5p	105	−1	1.3	3.1	1.9
86	38	Metals Ex. 50c	62	−2	—	—	—
20	12	Metramar 20c	17	+1	—	—	—
294	200	M.I.M. Hldgs. 50c	253	......	Q4½c	ϕ	1.1
105	60	Mount Lyell 25c	62	......	—	—	—
3	2	Newmetal 10c	2½	......	—	—	—
226	138	North B. Hill $1	222	+4	Q9c	ϕ	2.6
9	5	Nth. Kalgurli	8½	......	—	—	—
112	65	Oakbridge $A1	110	......	Q9c	ϕ	5.4
36	14	Pacific Copper 25c	27	......	—	—	—
£19½	725	Pancont'l 25c	£13	−¼	—	—	—
17	9	Paringa M&Ex 5p	12½	......	—	—	—
615	430	Peko-Wallsend 50c	590	−5	Q15c	ϕ	1.6
300	60	Poseidon 50c	80	......	—	—	—
13	9	Valiant Min. 50c	10	......	—	—	—
9	4	Westmex 10c	8	......	—	—	—
*199	127	Westn. Mining 50c	182xd	+2	Q5c	ϕ	1.8
75	36	Whim Creek 20c	60	......	—	—	—

TINS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
45	28	Amal. Nigeria	32	......	5.62	1.6	27.0
305	160	Ayer Hitam	303	+1	23.0	ϕ	11.7
31	17	Beralt Tin	28½	......	1.75	2.8	9.4
415	315	Berjuntai SM$5	405	......	QSM1.5	ϕ	8.3
18	12	Ex Lands 10p	12	......	1.0	1.7	12.8
265	155	Geevor	225	+5	5.0	ϕ	3.4
14	6	Gold & Base 12½p	9	......	—	—	—
250	170	Gopeng Cons.	210	+5	‡11.0	1.3	‡
80	64	Hongkong	70	......	—	—	—
70	56	Idris 10p	63	......	7.15	1.5	18.3
7½	6	Jantar 12½p	6	......	—	—	—
42	31	Kamunting 15p	38	+5	‡7.0	1.2	‡
250	135	Killinghall	250	+5	Q50.0	1.2	20.0
228	168	Malay Dredging	223	+8	10.7	2.0	7.4
38	20	♦Pahang	27#	......	‡Qb2.6	ϕ	‡
55	40	Pengkalen 10p	50	......	‡7.0	1.5	‡
130	104	Petaling SM1	128	......	Q12½c	—	2.2
46	19	Saint Piran	32	......	1.25	2.5	6.0
100	64	South Kinta (10p)	95	+7	7.5	ϕ	12.8
193	105	Sthn. Malayan	173	+18	10.7	0.9	9.5
45	31	Sungei Besi 20p	38	+2	—	—	—
42	29	Sungei Way SM1	42	......	ZQ10	—	5.4
48	40	Tanjong 15p	43	......	4.0	0.9	16.6
52	40	Tongkah Hrbr. SM1	40	......	‡Q23%	0.6	14.4
110	58	Tronoh	102	+2	†4.29	2.0	6.5

COPPER

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
85	35	Botswana RST P2	54	+1	—	—	—
335	170	Messina R0.50	205	......	†Q35c	1.9	11.0

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mines 17½p	8½	......	0.1	ϕ	2.0
*35½	18½	Charterhall 5p	18½	......	—	—	—
990	508	Cons. Murch. 10c	650	......	†Q80c	1.8	8.0
350	245	Northgate C$1	340	+10	—	—	—
239	153	R.T.Z.	166	−1	g5.96	2.1	5.6
112	77	Sabina Inds. C$1	80	−1	—	—	—
£15⅞	£10	Tara Exptn. $1	£13¾	......	—	—	—
45	32½	Tehidy Minerals 10p	40	......	†h1.08	ϕ	4.2
145	84	Yukon Cons. C$1	138	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures: they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¤ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ϕ Not comparable.
- ♦ Same interim; reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ¶ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 17

FINANCIAL TIMES
Saturday October 2 1976

MAN OF THE WEEK

Britain's bank manager

BY DAVID BELL

DR. JOHANNES WITTEVEEN, the Dutch Managing Director of the International Monetary Fund to which Britain has once again gone for help this week, was once described as "the keeper of more damaging economic secrets about more countries than any other single person in the world."

It is a role which he takes extremely seriously. Personally retiring, if privately capable of being very direct, he is intensely discreet in public—just as his Fund itself has a dedication to the maximum possible discretion which is a by-word in Washington.

The Managing Director's determination to preserve a banker-client relationship between the Fund and its members is not always successful partly because the IMF now has 129 members and is lending more than it ever has before. But it does reflect Dr. Witteveen's over-riding caution.

For example, the Fund's ability to kep its head while many about it—*particularly the Americans*—almost lost theirs over the problem of the oil surplus two years ago played a major part in keeping the confidence of the oil producing nations whom Dr. Witteveen persuaded to contribute a large part of the $8bn. oil facility. This facility may with hindsight have been a much sounder approach to the problem of developing countries and the oil surplus than some of the other much more grandiose schemes once proposed.

Dr. Witteveen's caution—and particularly his belief that far *tighter control* of the money supply is now essential if a crippling resurgence of inflaiton is

to be avoided—has permeated the senior staff of the Fund and most, though by no means all, of the rest of the 1,300 people in its new building in Washington. *This, incidentally, is built on the grand scale with a huge, fully air-conditioned indoor courtyard.*

The Fund, which cost about $54m. to operate last year, is set up very much like a pyramid with individual teams for each country and group of countries and separate research, treasurers and legal departments. These departments tend to be compartmentalised and to feed their very detailed analyses upwards to the small group of senior staff who, with Witteveen, actually make policy.

But there is a joker in the pack. Dr. Witteveen is answerable on a day-to-day basis to an Executive Board composed of 20 Directors appointed by member countries *on the basis of their share of the Fund's resources. Each Director also maintains his own staff, quite independent of the Fund, and it is in dealing with this* Board that Dr Witteveen is made aware time and time again of the political considerations which crowd in whenever there is any important decision to be taken.

The fund staff, who have diplomatic status and even their own golf club, manage to keep their distance from political Washington. But American pressure on the Managing Director is continuous partly because the U.S. Treasury is only minutes away and partly because of the size of the U.S. contribution to the fund. Critics say that the U.S. view looms too large too much of the time but there is no doubt that Dr. Witteveen has sought, albeit with characteristic discretion, to minimise U.S. influence where possible.

Dr Witteveen, a former Dutch Cabinet Minister who served at one time on the Boards of both Unilever and Royal Dutch Shell, knows and likes Britain. *Indeed* al lbte funds senior staff—not least because their working language is English and British papers and magazines are read closely—are well aware of the peculiarly intractable problems that Britain faces. They strongly resent charges that they are unsympathetic gnome-like figures with scant regard for such structural British problems as unemployment.

One U.S. official who now reluctantly favours a tough approach to Britain noted earlier this week that "Britain will get a fairer, and possibly rather less tough, deal from the IMF than anyone else given the present situation. You have every reason to be grateful that it is there."

Russia opens 'peace offensive' in Beirut

BY RICHARD JOHNS — BEIRUT, Oct. 1.

THE SOVIET UNION has launched its own initiative for a peace settlement in Lebanon, as Left-wing forces struggle to *maintain control of the town of* Aley on the main Beirut-Damascus road. *After his first* meeting with the newly *inaugurated* President Elias Sarkis, Mr. Vladimir Silkine, the Soviet Chargé d'Affaires, said the nature of Russia's proposals would become apparent "in the near future."

Mr. Silkine did not go into details, but reiterated his Government's view that the fighting served neither Lebanese nor Arab interests, "only those of Israel and its backers."

Earlier Mr. Silkine called on Mr. Yassir Arafat, chairman of *the Palestine Liberation Organisation*, and delivered to him what *the guerilla movement's news* agency called an "important letter."

President Giscard d'Estaing *of France was reported from* Paris to have recalled Mr. *Ismail Fahmi, the Egyptian* Foreign Minister, just after he boarded an airliner.

In Beirut there were reports that the *Russian initiative* was related to discussions about dispatch of a joint Franco-Egyptian peacekeeping force to Lebanon.

Bad though Moscow's relations with Cairo are, the argument goes, *the Kremlin may see backing* for such a plan as the only *way to keep a measure of control* over events in Lebanon.

To-day's dawn assault on Aley by Right-wing Christian and Syrian forces followed the decision of the Palestinians *not to attend talks with Mr. Abdel* Halim Khaddam, the Syrian Foreign Minister, and Maj.-Gen. Najr Jamil, Deputy Minister of Defence, in Sofar on Thursday.

The attack on the town suggested that Syria was going beyond the objectives of the 36-hour "blitzkrieg" which began on Tuesday. The immediate aim may be to obtain control of the Damascus-Beirut highway but there was some speculation that it heralded the beginning of a final, "military solution" by the Syrians to the problems posed by the alliance of the Palestinians and the Left in Lebanon.

This morning Mr. Abu Jihad, regional commander of the combined Left-wing forces, had *shifted from the national movement's* headquarters to a villa *in a hamlet* two kilometres down the coast road to the west.

Right-wing forces spearheaded by units of the "loyalist" faction of the old Lebanese army, were only one kilometre down the *slope, pouring fire at* the defenders above.

To the east of Aley the Syrian Army had stopped short of Bhamdoun, six *kilometres* further along the Beirut-*Damascus highway, limiting its* support to artillery fire for the *time being. However, it was in* a position to move—seemingly at will—over the ridges and down behind Aley to complete a pincer movement with the Christian fighters.

Amid a cacophony of gunfire and the crackling of short-wave radios, Abu Jihad gave correspondents visiting him at Ain er Remmane a brief, warm handshake but had no time to talk. The scene in the luxurious villa commanding a splendid view over Baabda and Beirut beyond was frantic even before two shells fell just beyond the road 50 or 60 metres away.

Clearly, the gunners of the Right-wing Lebanese army had located the whereabouts of Abu Jihad, presumably *through* intercepting radio messages, and it seemed that he would be moving on soon.

Large pay fiddles claimed on industrial building sites

BY CHRISTIAN TYLER, LABOUR STAFF

THE EXISTENCE of large-scale "fiddling" of the pay policy on big construction sites for the steel, oil and chemical industries was disclosed yesterday as the row about management "perks" at British Oxygen continued.

Employers and the main trade union in the electrical contracting industry, the *Electrical* and Plumbing Trades Union, *said they had evidence of policy*-busting deals negotiated on site. *Such deals were spreading* through the construction industry and causing strikes as workers elsewhere demanded *the same treatment.*

False redundancy

Mr. Frank Chapple, general secretary of the EPTU, said last night that the situation had got so had that he had asked the Department of Employment to permit an incentive scheme for his members in electrical contracting whose rates had been fixed in line with incomes policy under a national agreement.

That request had been refused. "The situation is going to get worse as we get into next year," Mr Chapple said.

So far the gap between electricians and other workers on the big sites ranged between £6 and £18 a week, depending which other groups of workers were involved.

There were two main dodges, said the Electrical Contractors' Association, the most serious of which was a "redundancy swindle."

Payments were offered to encourage workers to finish a job early, and handed out on completion. But now on some sites workers were refusing to do anything at all until such "redundancy" money was forthcoming.

Mr. Michael Stothers, the association's head of industrial relations, said a deal at the Graythorpe oil rig yard on Teesside, where men had been promised £1,000 each tax-free on completion, had set a pattern elsewhere.

"This is being exploited to a ridiculous extent. Men are now refusing to work at all until they get promises of fantastic severance payments."

The other major "fiddle" was on bonuses, said Mr. Stothers. He claimed that the hourly bonus rate for work that could not be measured had jumped from 24p to 90p in the past year.

On some sites in the North-East the "effective" rate had reached £2.11p per hour for people like mechanical fitters, while the electricians working alongside them got their nationally-agreed rate of £1.74, including a 35p bonus for unmeasurable work set in 1963.

The problem was exacerbated when there were foreign clients who could afford extra incentive payments as the pound fell in value.

Mr. Chapple said the "bogus bonus problem" had caused a number of strikes, for instance at the big Redcar steel and iron-ore complex on Teesside.

There were similar pay policy problems in the building industry under the Conservatives' Stage Three statutory limits. The Pay Board confirmed that it was difficult to "police" wage rises. This time the building industry is reported less prone to "bogus bonuses" because of the recession.

Hopes grow of decision soon on Rhodesia conference

BY BRIDGET BLOOM, AFRICA CORRESPONDENT — JOHANNESBURG, Oct. 1.

THERE APPEARS *to be growing optimism in southern Africa to-night that the British-chaired* constitutional conference on *Rhodesia can be held within the* next two weeks.

Three key questions about the conference—its date, venue and precise participants — remain open. But it is felt that the Anglo-American diplomatic effort now being made may enable a firm date and place to be set next week.

Following their talks with the Zambian and Botswana Presidents in Botswana this week, Mr. Ted Rowlands, Minister of State at the Foreign Office and Mr. *William Schaufele, the U.S.* Assistant Secretary of State for *Africa, left Gaberones this morning* for Maputo.

The two envoys were due to meet Mozambique's President Machel this afternoon. "His *acceptance of the conference* is thought to be crucial, if only because most of the Rhodesian nationalist guerillas are based in Mozambique.

Mr. Rowlands and Mr. Schaufele said this morning that their discussions were "on course" and it is not felt that President Machel will raise serious objections at this stage.

To-morrow the two men fly to Dar-es-Salaam to meet President Nyerere. The Tanzanian President's public attitude to the conference—and to *the so-called* Kissinger package—is thought to *have recently been ambivalent* by both Washington and London.

The *other major question* the two envoys are expected to discuss is African nationalist participation.

However, there was some encouragement from a meeting in Botswana this morning between *Mr. Joshua Nkomo, leader of the* internal wing of the African National Council, and Bishop Muzorewa of the external wing.

They said they would meet again in Rhodesia early next week, *apparently to discuss a* joint conference strategy

Our foreign staff writes: The likelihood that Mr. Rowlands *will meet Mr. Ian Smith in* person in Salisbury is growing, the Foreign Office indicated last night. The meeting could take place on Monday.

● U.S., British and South African representatives will meet in Washington on Wednesday and Thursday to review proposals for an international fund to finance the ultimate transfer of power in Rhodesia, the U.S. State Department said in Washington.

Bishop jailed, Page 11

BP signs Brazil oil contract for Sao Paulo exploration

BY DAVID WHITE — RIO DE JANEIRO, Oct. 1.

BRITISH *PETROLEUM* is to start exploring for oil off Brazil *within the next six months under* a contract signed last night with *the Brazilian State-controlled oil* company Petrobras.

The BP agreement marks the first entry of foreign capital into Brazilian oil exploration since the war. It was completed almost exactly a year after President Geisel of Brazil announced that Petrobras, set up as a monopoly 23 years ago, would negotiate with foreign prospectors.

Under the Brazilian scheme Petrobras retains ownership of *oil resources* and will compensate BP and other explorers if *discoveries are made.* The contract will end after three years *if no oil is found.*

Ten areas

BP will spend a minimum of £6m. in a 2,150-square mile offshore area of Sao Paulo state, one of *ten* areas originally offered to foreign prospectors. It is understood that Exxon also applied to explore in the same *area, but will now negotiate for* another offshore region.

A local subsidiary will be established by BP to run its *explorations. Under the contract* the operations will be taken over *by Petrobras when they reach* the production stage.

A Shell consortium made up of Shell Internationale of Hol*land and Shell Oil of* the U.S. began negotiations this week. It *is believed to be studying* one of two areas at the mouth of the Amazon, where *promising* signs of oil deposits have been found.

A Franco-Italian group of Elf-Aquitaine and the Italian company Agit has also held discussions with Petrobras and is expected to conclude its contract shortly. Negotiations with Exxon and Texaco of the U.S., the only other companies of 40 initial applicants to stay in the running are expected to follow.

With more exploration areas than foreign partners, the response to Brazil's decision to open her doors for oil exploration can hardly be described as overwhelming. Some areas, such as *the central Amazon region*, have found no takers.

Petrobras has *made it clear* that other areas will become available once the present round of negotiations is completed.

Last night's signing, by Mr. John Grundon, of BP, and the Petrobras president, Gen. Araken de Oliveira, took place at short notice and with no opportunity for journalists' questions.

News blackout

The whole matter of foreign oil contracts is politically very sensitive in Brazil, and there *is* known to be a strong body of *opposition* to the deals. Press discussion of the issue, which threatened to be a focus of nationalist economic argument, was severely curtailed after Gen. Geisel's announcement last year.

The *delay in preparing the* contract can be at least partly *attributed to these divergences.*

Brazil produces about 174,000 barrels *a day, less than a fifth* of her needs.

Probe on top perks 'would be welcome'

By Roy Rogers, Labour Correspondent

UNION fury over fringe benefits for British Oxygen Company directors rose yesterday despite further denials by the company that it was breaching, or intended to breach, the Government's 4½ per cent. pay policy.

The company, which rushed out explanatory bulletins to its employees yesterday, declared that a *Department of Employment investigation into allegations of policy-busting* directors' perks would be welcomed.

The row was sparked by a *leak in the newspaper Labour* Weekly of what was described *as an accountants' report of* how British Oxygen could pay executives hidden perks of up to £2,500 a year as a way of *getting* round pay policy restrictions.

But yesterday both the company, and its auditors, Coopers and Lybrand, maintained that the source of the story was a *memorandum of a conversation* which had been stolen or deliberately copied from the accountants' offices.

Company employees were told yesterday that because *the document in question* was "merely an informal *note reminding our auditor of* what he thought were salient *points of his conservation,*" it contained sentences that could *be misrepresented* by anyone with the will to do so. Labour Weekly *had* done *just* that, declared the bulletin.

Confirming the apparent theft from its offices, Coopers and Lybrand stressed that it had not given the company official written advice on the matter.

British Oxygen admitted seeking advice on the question of low interest mortgage loans, payment for overseas directorships and use of company assets such as furniture and fittings. It emphasised that such schemes were in operation.

The pay policy allows companies to reimburse employees for actual expenditure in line with costs, and British Oxygen appears to be acting within the guidelines.

But this did not stop many union leaders from levelling severe criticism at the company. Mr. Lawrence Daly, general secretary of the National Union of Mineworkers, called for immediate Government moves to prevent payment of any such "disgraceful". perks.

THE LEX COLUMN

Returning to the fundamentals

The collapse of sterling has had a *devastating impact on the* securities markets in the past few days. The new Treasury 14½ per cent. stock of 1994, which was so enthusiastically oversubscribed just a week ago, now stands at a discount of ½ of a point on the issue price, and adjustments at the short end have been even sharper. The price of Treasury 9¼ 1981, for instance, has fallen by nearly 2 points over the past five days. With the Government's funding programme in tatters, a modest rally in equities has been savagely reversed, and the FT 30-Share Index finished the two-week account with an overall decline of 17 points.

At the same time, the *slowing* pace of economic recovery around the world—which has for so long been signalled by the hesitancy of international stock markets—has been clearly underlined by leading economic indicators in North America and Europe. In the circumstances, a review of some of the fundamental trends affecting share prices seems appropriate.

MARKET LEVEL: The 30-Share Index has fallen by 25 per cent. *(just over 100 points)* from the high point reached in May, and *is now only 12 points above the* level which marked the bottom *of the 1971 bear market.* The All-Share Index has shown more resilience over the five-year period, but even so it has fallen back to levels first reached nine years ago.

In real terms, of course, share prices have fallen very much further. Adjusted for changes in retail prices, the 30-Share Index has dropped by nearly 75 per cent. from the peak reached in 1969 to a level which—apart from a six-month spell at the *bottom of the last bear market* —has not been touched since *1940.*

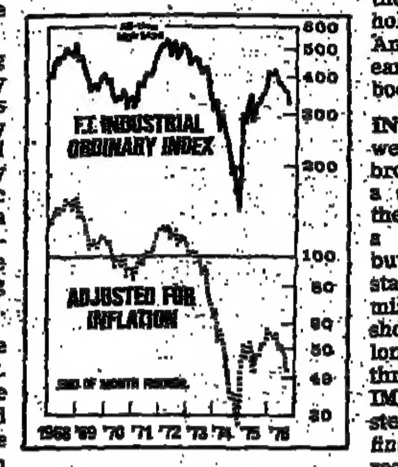
PROFITS: Latest statistics show that the gross trading profits of *companies* rose by 19 per cent. in the first half of this year, and excluding the impact of stock appreciation the increase was even greater at 28 per cent. The consensus of opinion seems to be that for the year as a whole, overall pre-tax profits could jump by about 30 per cent.

However, this recovery has so far only gone a very small way towards restoring the *balance* of company profits to their former levels within the economy. Net of stock appreciation, the share of profits in total domestic in-

Index fell 6.0 to 317.5

comes during the first half of this year picked up from 6½ to *7 per cent.*—which is a far cry from the average of 12 per cent. between 1964 and 1973. And as a result of the increasingly fragile appearance of the U.K.'s economic recovery, some analysts are now lowering their sights for 1977, when profits growth could fall back to a fifth or less.

DIVIDENDS: The background *here is* noticeably more favour-



able than *might have seemed* possible earlier in the year. As a result of concessions granted for such reasons as rights-issues or takeover approaches, it looks as though dividends per share this year could rise by something like an eighth as opposed to the statutory limit of a tenth. The *fact that* dividends may more or less keep pace with *inflation is obviously* nothing to shout about—but it has not happened before in this decade.

CORPORATE LIQUIDITY: Largely as a result of heavy *destocking and the low level of* capital investment, industrial and commercial companies moved into a financial surplus during 1975, and are likely to improve their position further in 1976. But the outlook for 1977 is beginning to look more clouded. Although industry is likely *to be extremely cautious* under the present circum*stances, some element of* cyclical recovery in investment *is likely* next year, and the fall in sterling will obviously have an impact on inflation. Last month the National Institute Economic Review projected a financial surplus for the corporate sector of nearly £2bn. next year—but one leading firm *of brokers is now suggesting* the possibility that the sector could actually move into a modest deficit over the period.

This would still be a long way from the financial crisis of 1974, when non-financial companies registered a deficit of £2.5bn. And helped by rights issues *amounting to over £2bn.* In the last two years, gearing levels have been *significantly* reduced. A survey by the De*partment of Industry shows* that the net short-term borrowings *of a sample of manufacturing* companies reporting in the year *to March* was unchanged during the period, whereas shareholders' funds rose by a tenth. And this was at a relatively early stage of the rights issue boom and profits recovery.

INTEREST RATES: This week's events have painfully brought home the possibility of a savage monetary squeeze in the near future. It could take a number of different forms, but under almost any circumstances it is difficult to be optimistic about the outlook for short term interest rates. The longer end may not be so threatened, especially if the IMF seems to *have* a chance of steering the country towards *financial prudency.* It is worth recalling that on the previous occasion when *Minimum* Lending Rate stood at 13 per cent. —at the end of 1973—the yield on Consols was just 12¼ per cent. compared with nearly 15 per cent. at present.

The trends here will have *crucial implications for* equities. Admittedly rising short term rates encourage fund managers to remain liquid, but if long rates are reasonably stable they do not have to make any fundamental readjustments of the relationship between gilts and equities. The reverse *yield gap* has narrowed a bit, but is still over 8 per cent.

Even after their recent fling in the gilts market, institutional liquidity is probably higher than it was at the beginning of the year. One way or another most of this cash will have to *be siphoned off into Govern*ment securities. For most of the last year, the institutions have adopted an extremely hesitant line towards equities. Their memories of 1974 are still raw. But although the outlook for the corporate sector has deteriorated, its defences still look considerably stronger than they did two years ago.

End of car delivery strike in sight

BY OUR LABOUR CORRESPONDENT

A FORMULA thrashed out in *Coventry last night should* bring an early end to the car *delivery drivers' strike which is* threatening widespread disruption *of the motor industry.*

The 80 Silcock and Colling drivers based in Coventry, are expected to meet to-morrow and will be recommended to accept the settlement terms for calling off the five-week strike, which centres on redundancy notices served on 17 drivers.

Should the strike continue more strenuous efforts are expected to be made by shop stewards to spread the dispute to all 800 of the company's *drivers at 12 depots across the* country. That would hit several *manufacturers, especially Ford.*

A separate delivery drivers' dispute ended yesterday, when men based at Tolman James' Coventry depot began clearing the backlog of British Leyland Triumph cars caused by their *recent stoppage*—which was also over demands for avoiding redundancies. *As a result,* Triumph has recalled 2,000 laid-off assembly workers *from Monday.*

Leyland and Ford are still suffering from other disputes.

Electricians who walked out of Leyland's Castle Bromwich body works and the SU Carburetttors plant in the Midlands, in a dispute over who should operate new control-room equipment, are to return on Monday but are expected to operate sanctions.

Monday may also see the opening of negotiations on the three-*day-old unofficial strike* by 1,000 nightshift workers at Ford's *Dagenham assembly plant.* They are demanding lay-off pay for time lost because they were sent home on Tuesday night.

Weather

U.K. TO-DAY

UNSETTLED. Rain may be heavy.

London, S.E., Cent. S., E. England

Rainy, some sun Wind, E., light. Max. 16C (61F).

W. Midlands, Channel Is., Cent. N., N.W., S.W. England. Wales

Scattered showers, some sun. Wind E. to N E., light. Max. 15C (59F).

N.E. England, Borders, Edinburgh, Dundee, Cent. Highlands

Rainy. Wind S.E., light to moderate. Max. 14C (57F).

Aberdeen, Moray Firth, N.E. Scotland, Orkney, Shetland

Rainy. Wind S.E., light to moderate. Max. 12C (54F).

Lakes, Isle of Man, S.W., N.W. Scotland, Glasgow, Argyll, N. Ireland

Mostly dry, sunny intervals. Wind light, variable. Max. 15C (59F).

Outlook: Rain spreading from W.

Lighting-up: London 19.06, *Manchester 19.14*, Glasgow 19.21, Belfast 19.29.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexandria.	F	25	77	Madrid	F	18	64
Amstrdm	F	18	64	Manchstr.	F	18	64
Athens	S	25	77	Melbourne	C	12	53
Barcelona	S	21	70	Mexico C.	S	19	65
Belfast	R	13	55	Milan	C	19	66
Belgrade	F	21	70	Montreal	C	11	52
Berlin	C	10	50	Moscow	S	6	43
Birmghm.	C	17	63	Munich	C	14	57
Bristol	C	16	61	Newcastle	R	14	57
Brussels	C	17	63	New York	R	14	57
Budapest	C	16	61	Oslo	C	9	48
B Aires	S	17	63	Paris	R	15	59
Cairo	S	31	88	Perth	S	21	70
Cardiff	R	15	59	Prague	C	11	52
Cologne	C	18	64	Reykjavik	C	9	48
Copnhagn.	S	12	54	Rio de J'o	S	28	82
Dublin	C	14	57	Rome	F	25	77
Edinb'rgh	R	14	57	Singapore	S	31	87
Frankfurt	C	15	59	Stockholm	C	13	56
Geneva	F	15	59	Strasb'rg	R	17	63
Glasgow	R	15	59	Sydney	C	21	70
Helsinki	C	9	48	Tehran	S	27	81
Hong Kong	S	27	81	Tokyo	C	24	75
Jo'burg	C	21	70	Toronto	C	10	50
Lisbon	S	17	63	Vienna	C	12	53
London	F	18	64	Zurich	C	17	63
Luxemb'g	C	15	59				

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	C	24	75	Jersey	C	16	61
Algiers	C	26	79	Las Plms.	F	25	77
Biarritz	C	18	64	Locarno	R	17	63
Blackpool	C	14	57	Majorca	C	23	73
Bordeaux	F	19	66	Malaga	C	23	73
Boulogne	R	15	59	Malta	S	28	82
Casablnca.	C	21	70	Nairobi	S	24	75
Cape Town	C	16	61	Naples	S	26	79
Corfu	S	25	77	Nice	C	20	68
Dubrovnik	S	24	75	Nicosia	S	28	82
Faro	C	21	70	Oporto	C	19	66
Florence	F	23	73	Rhodes	S	26	79
Funchal	C	22	72	Salzburg	C	14	57
Gibraltar	F	20	68	Tangier	F	21	70
Guernsey	C	15	59	Tunis	F	34	93
Innsbruck	C	17	63	Valencia	F	23	73
Inverness	C	15	59	Venice	F	22	72
Isle of Man	R	15	59				

S—Sunny. F—Fair. C—Cloudy. R—Rain.

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